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NEWSPAPER

Advertising Age

May 4, 1992

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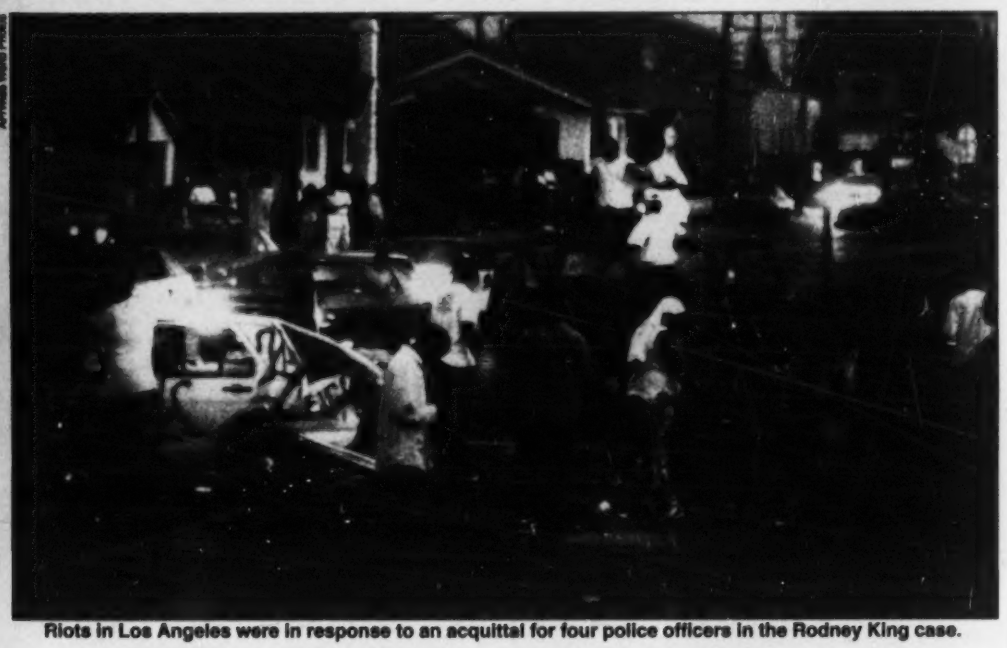
Crain's International Newspaper of Marketing • In Two Sections • Section 1 • $2.50 • $3.00 in Canada • £5.00 in U.K.



AP/Wide World Photos

Riots in Los Angeles were in response to an acquittal for four police officers in the Rodney King case.

A call to admen: Help stop riots

The time to bring the power of advertising to bear on the urban rioting that broke out last week is now.

Those riots paralyzed Los Angeles and shook other cities, following last Wednesday's acquittal of four white police officers who were charged with beating a black motorist.

The violence also may have alienated many of the very people who believed a California jury—which included no blacks—had compounded a great injustice.

The advertising industry finds itself with a monumental opportunity—and obligation—on its hands. There's no fast-

An editorial

er way to reach Americans than advertising—when media, government and business make it their business to get a message out. And there are few agencies who—when asked—will not make key people instantly available for such a project.

In fact, the entertainment industry is doing just that. Late last week, actor Tom Cruise, rap artist Ice T and others taped public service announcements, and similar anti-violence PSAs by Bill Cosby aired earlier.

There are those who believe the issues involved have nothing to do with the advertising business, that poverty, despair and many forms of racism are

(Continued on Page 49)

Madison Ave. West becomes ghost town

L.A. ad agencies shutter as rioters, looters take charge of the streets; worried execs wonder what's next

An Advertising Age roundup

The violent civil disorder in Los Angeles late last week turned the City of Angels into a war zone within hours and "Madison Avenue West" into a ghost town.

The riots forced businesses and employees to dodge bullets, roving bands of angry gangs and thousands of conflagrations set by arsonists.

And as the violence and arson continued in California, similar—though smaller—acts of unrest were set off in other major cities around the country.

Unlike the Watts riots in Los Angeles 22 years ago, the recent violence extended well beyond the south-central district of the city. Wilshire Boulevard, known as "Madison Avenue West" because of the number of ad agencies located there, became the major thoroughfare for looters moving in caravans out of the downtown area and into the tony shopping districts of Beverly Hills.

The gangs, chanting "No justice, no peace," left numerous empty agency offices in their wake.

"We've basically shut down," said Bob Elen, president of Robert Elen & Associates and president of the Western States Advertising Agencies Association. "Agencies, production studios, [broadcasters are pre-empting advertising]; they're all closed. The advertising business is closed until Monday."

"The city was on fire. We were flying through mushrooms of smoke."

For Jim Helin, managing director of D'Arcy Masius Benton & Bowles, it was a terrifying flashback.

"I grew up in northern California and had been to L.A. only a couple times in my life," he recalled just hours before evacuating his Wilshire Boulevard shop last Thursday. "My first extended trip to Los Angeles was in an Army uniform with loaded rifle as a member of the National Guard," during the Watts riots in 1965. He

(Continued on Page 52)

LAST MINUTE NEWS

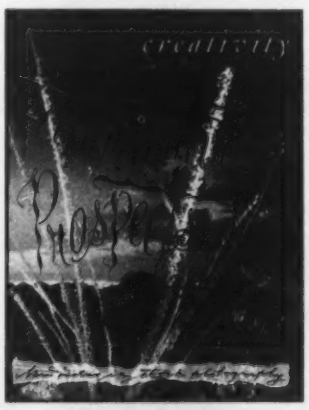
3 seek to buy Geer, DuBois

NEW YORK—Three principals of Geer, DuBois are said to be close to an agreement to buy the agency from Peter Geer, the son of the agency's husband-wife co-founders, who's now chairman of the executive committee. The three are Rodney Underwood, chairman-creative director; Stephen Bowen Jr., who joined the agency earlier this year as president-ceo; and Martyn Straw, exec VP-director of strategic services.

Tracy-Locke, DDB merger near

NEW YORK—Omnicom Group this week could announce the merger of its Tracy-Locke subsidiary into the DDB Needham Worldwide network, said executives familiar with the plan. One Omnicom agency executive said the merger will be announced May 5. Another gave no time frame but said, "It will happen." Omnicom Chairman-CEO Bruce Crawford said, "I won't say anything until I announce it." However, another Omnicom executive said no deal has been struck yet. Separately, 25 to 30 of DDB Needham's nearly 600 staffers here were laid off last week to bring the agency's

(Continued on Page 8)



INSIDE

'Creativity': New vistas in stock photography. **After Page 28.**

("Creativity" is available on request; call 1-800-678-9595.)

GM shake-up could stir change in Detroit's placid agency scene

By Raymond Serafin

Detroit agencies have been only spectators so far in the ever-expanding game of auto account musical chairs. But many believe that the recent shake-up in General Motors Corp. management is about to change all that.

"There has been a tranquil and effective relationship between Detroit clients and their agencies over the years," said Dick O'Donnell, president of automotive media consultancy O'Donnell Strategy Group. "Now, because of competition in the marketplace, an agency review might not be out of the question."

John Smale, the former Procter & Gamble Co. chairman-ceo who's now president of GM's executive committee, apparently isn't running GM's daily operations. But the P&G style of demanding the most from its agency partners and being open to newer, smaller shops is likely to be adopted by GM executives under intense pressure to turn around the bottom line.

There's also the "sacrificial lamb" factor. The term, even though it is not P&G's style, has been bandied about in auto marketing circles a lot ever since McCaffrey & McCall, New York, lost the $130 million Mercedes-Benz of North America account earlier this year. The lesson: A marketer under pressure might well change agencies even if advertising isn't a primary source of a sales falloff.

"In the auto business, the agency is the only major thing that can be changed easily," said Michael Robertson, deputy chairman-chief creative officer at McCaffrey.

■ ***Automobile Magazine*** **loses General Motors advertising after editor lashes carmaker in speech—Page 53.**

It takes years to change product, price structures are pretty well-established and the people who manage the companies are reluctant to blame themselves, Mr. Robertson said.

"An agency change can send a big message throughout the entire organization—a shake-up like that gets the cage rattling," Mr. Robertson said.

A Detroit agency shake-up would signal that

(Continued on Page 53)

NEWS SUMMARY

- **General Motors'** management shake-ups may lead to agency reviews, some observers say. 1
- **Nabisco** is targeting video rental stores as a new outlet for single-serve cookie and cracker products. 3
- **1991 ad spending** was 1.7% lower than 1990, the largest drop since 1942, Robert J. Coen reports. 3
- **Pepsi/Lipton** Tea Partnership is the latest combine in the burgeoning ready-to-drink iced tea category. 4
- **'Pre-upfront'** discussions indicate networks will give price concessions in return for fewer cancellation options. 12
- **Newspaper circulation** losses were widespread in the latest six-month report; *The New York Times* surpassed the *Los Angeles Times* as the largest metropolitan daily. 36
- **Nick at Nite's** new chairman, actor Dick Van Dyke, will be an active spokesman for the cable network. 46
- **'Tonight Show'** competitors are mostly stepping aside on May 22, night of host Johnny Carson's final show. 48
- **AT&T's** marketing plan is to create an image as the pre-eminent technology marketer. 50
- **MCI** is the sole sponsor of a special issue of *Life*. 50
- **TV networks** feature more regular season reruns and save original episodes for sweeps periods, a Bozell study reports. 54

COMPANY INDEX

The following marketers, media and ad agencies received significant mentions in this issue of *Advertising Age*. (This list excludes Last Minute News, For the Record and other news briefs.)

ABC 12, 18, 48, 54
Admarketing 3
Alcone Sims O'Brien 38
AT&T Co. 50
"Automobile Magazine" 53
A&W Brands 4
Backer Spielvogel Bates Canada 48
Beech-Nut Nutrition Corp. 58
Benckiser Consumer Products 4
D.L. Blair 38
Blockbuster Entertainment Corp. 3
Bozell 54
Cadbury Beverages North America 4
CBS 12, 18, 54
Celestial Seasonings 4
Chevrolet 17
Chock Full o'Nuts 48
Cinemedia Corp. 18
Clarion Marketing & Communications 38, 33
Coca-Cola Co. 2
Coca-Cola Nestle Refreshments Co. 4
Columbia Pictures 18
Comart 34
Comedy Central 48
Coty 4
C&R Clothiers 3
Creative Artists Agency 2
Dannon Co. 48
DCI Marketing 38
Den-Mat Corp. 53
Walt Disney Co. 18
Drummond Brewery 18
Einson Freeman 34
Find Dad 1
First Interstate Bank of California 18
Forsythe, Winslow & Bullard 6
Fox Broadcasting Co. 6, 18, 54
Frankel & Co. 29
General Foods USA 48
General Motors Corp. 1, 53
Gerber Products Co. 4
Glendinning Associates 34
Grey Advertising 54
Hadley Group 38
Impact 33
Kimco Industries 6
Kraft General Foods 51
"Life" 50
Lintas Marketing Communications 38
Little Caesar Enterprises 17
Louis London 38
Marketing Corp. of America 38
Market-zing Promotions 38
McCracken Brooks Communications 33
MCI Communications Corp. 50
Miller Brewing Co. 4
Nabisco Biscuit Co. 3
NBC 12, 18, 48, 54
Nestle 48
"The New York Times in Review" 54
Nick at Nite 46
Noble Promotion Group 34
Paramount Pictures Corp. 18
Pepsi/Lipton Tea Partnership 4
Perrier Group of America 4
Procter & Gamble Co. 6, 48
QLM Associates 34
Quaker Oats Co. 48
Quaker State Corp. 54
Randazzo & Blavins 38
Revolving Media 48
Robinson Maites 34
Ross Roy 38, 48
Snapple Beverage Corp. 4
"Sports Illustrated" 48
"Spy" 48
Tetley 4
J. Walter Thompson USA 48
Tribune Entertainment Co. 48
20th Century Fox Film Corp. 18
Warner Bros. 18
Warner-Lambert Co. 6

DEPARTMENTS

Ad Review 54
James Brady 26
Brady's Bunch 48
Classifieds 44
Con-Sid-erations 29
Corrections & Clarifications 24
Rance Crain 26
Creativity ..... after 28
Editorials 28
For the Record 46
Forum 22
Letters 24
MediaWorks 36
People Moving 48
Photo Review 42
Special Report: Sales Promotion 29
The Next Trend 28

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Vol. 63, No. 18—ADVERTISING AGE (ISSN 0001-8899) is published weekly (except for a special issue the fourth week in September and a combined year-end issue in December) by Crain Communications Inc. at 740 Rush Street, Chicago, Ill. 60611-2590. Second-class postage paid at Chicago and additional mailing offices. Postmaster: Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. $2.50 a copy, $84 a year, $134 two years. Add $151 per year for air delivery to Europe & Middle East. Add $79 for surface mail to all other foreign countries. WILLIAM STRONG, VP-circulation; DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207-3185 1-800-678-9595. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, Ohio 44691. AD AGE is available for electronic retrieval on the NEXIS® Service, Mead Data Central, Inc., P.O. Box 933, Dayton, Ohio 45402 (800 227-4908).

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Coke's 'non-agency' taps big-name adman

Creative Artists Agency hires Fink; questions heat up on future of Coca-Cola's ad shops

An Advertising Age roundup

Hollywood superagent Michael Ovitz's Creative Artists Agency is looking more and more like an ad agency every day.

Last week, the talent agency that many call the most powerful in Hollywood hired Len Fink, a veteran creative director who's worked at several big-name ad agencies, as part of its "consulting" team for Coca-Cola Co.

A former associate creative director at Chiat/Day/Mojo in New York, Mr. Fink has a long-standing reputation as a top creative with impressive credentials grounded solidly in the ad agency business.

CAA said Mr. Fink will work with the soft-drink giant and its leading ad agencies on "global marketing strategies and creative execution."

When Coca-Cola hired CAA last year as a "worldwide media and communications consultant," both companies insisted the talent agency wouldn't create advertising for any Coca-Cola brands.

But last week's announcement that Mr. Fink would work on "creative execution" of CAA-inspired projects suggests CAA may be taking the relationship a step further.

In fact, it raises the question of whether CAA is actively preparing to put itself in the position to actually create ads for Coca-Cola, something the talent agency has said it would never do.

With its stable of top talent, including actors, writers and directors, and access to sophisticated production facilities, CAA has most of the pieces in place to create and produce TV and print ads.

All that was lacking was a veteran adman with first-hand knowledge of how Madison Avenue really works and the experience to steer national ad campaigns from initial concept to finished product.

Mr. Fink would certainly appear to fill that role.

Mr. Fink was involved in Chiat's win of the $60 million American Express Co. core charge-card account last November. Previously, he worked as exec VP-executive creative director at Wells Rich Greene BDDP.

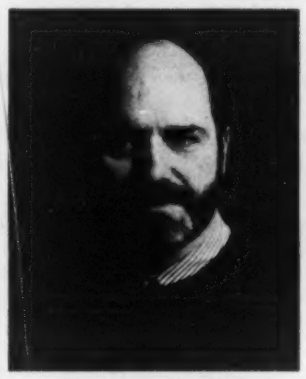
He started his career at Geer, DuBois and also worked in the creative department at Leber Katz Partners, where he created a Clio-winning anti-drunk-driving TV spot for the Advertising Council called "Crashing Glasses."

CAA was vague about what Mr. Fink will do on the Coca-Cola business but denied he will be responsible for creating ads. CAA Chairman Ovitz has said repeatedly he isn't interested in making ads.

"Just because he's coming from Chiat/Day doesn't mean he's going to do the same thing here he did there," a CAA spokesman said.

Like most executives at CAA, Mr. Fink won't have a title. He will work with Shelly Hochron, who joined CAA in October to coordinate the agency's Coca-Cola team. She formerly held a senior production post at Tri-Star Pictures.

In the mid-1980s, Ms. Hochron worked closely with Peter Sealey, who headed marketing at Columbia Pictures Entertainment, then a Coca-Cola subsidiary. Mr. Sealey is now senior VP-director of global marketing for Coca-Cola and oversees the company's CAA connection.



"Just because he's coming from Chiat/Day doesn't mean he's going to do the same thing here he did there."

A Creative Artists Agency spokesman, on new hire Len Fink (at l.)

The addition of Mr. Fink to CAA's Coca-Cola team spells more bad news for the Atlanta-based marketer's top agencies, McCann-Erickson Worldwide, Lintas:New York and Lowe & Partners, all part of Interpublic Group of Cos.

McCann handles the company's flagship Coca-Cola brand, Lintas handles Diet Coke and Lowe has Sprite, Fresca and a handful of smaller brands.

Ever since Coca-Cola hired CAA, executives at McCann and its sister agencies have been privately wary of the arrangement, even though publicly they say they welcome the talent agency's involvement.

Just last month, a top McCann executive said some advertising done jointly by McCann and CAA was nearing completion, and that the partnership was working.

McCann executives are reluctant to comment on the significance of Mr. Fink's arrival at CAA but remain hopeful the talent agency will have only a minimal involvement in Coca-Cola's advertising.

Some agency executives said Mr. Fink will simply help translate the talent agency's Coca-Cola work into marketing language that Coca-Cola's ad agencies can understand.

"I don't know whether we're being totally naive, but we do think [Hollywood and CAA] operate differently," said one agency executive. "I'm hoping it is what they say it is—providing backup resources to the agency. In either case, I'm not worried about it. Hollywood has no corner on marketing and successful entertainment. They have far more flops as movies than we have 'Herbs' as campaigns."

The executive was referring to a promotion created for Burger King Corp. in 1986 by J. Walter Thompson USA, New York, that was widely criticized and then dumped.

Although many ad industry pundits view CAA's involvement with Coca-Cola as a serious threat to its agencies, there are those who disagree.

"Ovitz has been talking about bringing agency professionals into the business," said Stephen O. Frankfurt, chairman of Frankfurt Gips Balkind, who has produced advertising for several movies. "But they're not going to be competing with the [ad] agencies. It's not threatening to the agency, it's just a different kind of communication."

For its part, a Coca-Cola spokeswoman said the soft-drink marketer didn't play a role in hiring Mr. Fink.

"This is an internal personnel decision made by CAA," she said. "We have no comment beyond that."

The spokeswoman said Mr. Fink's hiring in no way "changes anything since the announcement" last year naming CAA as Coca-Cola's worldwide marketing consultant.

Coca-Cola has consistently emphasized CAA wasn't hired to create advertising or buy media and wouldn't encroach on the turf of its ad agencies.

But at the same time, the company has seemed unusually vague about the precise nature of CAA's role. In fact, Mr. Sealey once said the talent agency would be involved in the advertising creative process "from the very beginning."

It's believed a core team of six CAA employees work on the Coca-Cola "account" and six other staffers help out. CAA has an estimated 250 employees.

As of March, it was believed CAA wasn't interacting directly with McCann or other Coca-Cola agencies but was dealing primarily with Coca-Cola. Soft-drink executives would then present CAA ideas to the ad agencies.

It's been suggested that representatives from CAA and Coca-Cola executives gather for face-to-face meetings once a month, presumably in Atlanta.

In fact, it's possible some CAA staffers might be in Atlanta this week for the company's "operation planning meetings" in which top executives discuss various strategies. □

Rival prime-time numbers don't add up

Who's right on TV spending figures? Battle lines are drawn between Nielsen Monitor-Plus, MediaWatch

By Joe Mandese

Prime-time advertising on network TV may be a much bigger business than had previously been reported.

Arbitron Co.'s MediaWatch (formerly BAR), which historically was the exclusive industry source for TV ad spending estimates, pegged 1991 prime-time spending on the Big 3 at about $4.5 billion.

But rival Nielsen Monitor-Plus, now being marketed by Nielsen Media Research, estimates advertisers spent more than $5.4 billion.

The difference in dollars—nearly $1 billion—is large. But even more importantly, the disparity is expected to spark debates about the validity of both services.

■ **Nielsen gives first glimpse of ad spending on Fox—Page 6.**

Most executives contacted by *Advertising Age* indicated Nielsen's numbers appear to be closer to reality.

For example, General Motors Corp., the largest prime-time network advertiser, spent $237.7 million on the Big 3, Arbitron reported, while Nielsen said the automaker spent upwards of $339.4 million.

"Nielsen's a little closer to the truth," said a media executive at a GM agency. "The prime-time buy we made in 1991 was about $300 million."

According to Arbitron, AT&T Co. spent $73.7 million; Nielsen put the total at $106 million.

"Nielsen is a little low," said Bob Watson, AT&T director of advertising services. However, he added the estimate was "in the ballpark."

Only one buyer, an agency

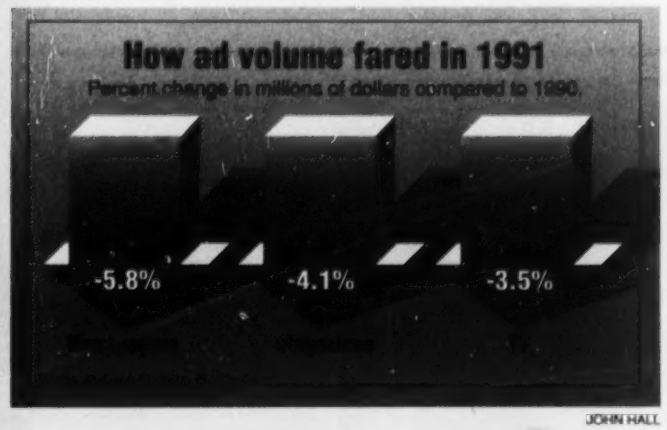
(Continued on Page 6)

How they rank advertisers differently

Top 10 prime-time advertisers on the Big 3 networks in 1991.

NIELSEN'S MONITOR-PLUS		ARBITRON'S MEDIAWATCH	
General Motors	$339.4	General Motors	$237.7
Procter & Gamble	$224.5	Procter & Gamble	$185.5
Philip Morris	$213.0	Philip Morris	$181.4
Johnson & Johnson	$171.1	Johnson & Johnson	$147.2
PepsiCo	$168.4	PepsiCo	$145.9
Kellogg	$156.0	Kellogg	$145.7
Ford	$154.2	Ford	$120.6
Toyota	$130.5	Unilever	$103.5
McDonald's	$124.8	McDonald's	$98.2
Chrysler	$115.6	American Home Products	$97.0

Figures are in millions. Source: Nielsen Monitor-Plus Prime Time Network Expenditure Analysis, Arbitron's MediaWatch



JOHN HALL

How bad a year for ads was '91? Almost the worst

But '92 will be better, with 7% gain; signs of upswing are already here

By Robert J. Coen

On the heels of the largest media ad spending decline since World War II, 1992 is certain to be an improvement.

By the middle of this year, the pessimism and anxiety that have plagued the advertising industry for more than two years should gradually give way to optimism, with most media posting ad revenue gains of 5% to 7%.

That's quite a contrast with 1991, when the Persian Gulf War and the recession disrupted spending.

Media ad revenues last year totaled $126.4 billion, 1.7% lower than 1990. That was the biggest decline since 1942, the first full year of World War II for the U.S., when spending dropped 4%. The only year in between with a decline was 1961's 0.8% drop.

The disruption in ad programs last year was so sudden and severe that it now seems reasonable to regard it as an aberration.

In time, ad spending will return to more typical, normal growth trends.

Mr. Coen is a senior VP-director of forecasting at McCann-Erickson Worldwide, New York.

Late last year, most major media began to see their rates of decline moderate or posted gains for the first time in nearly a year.

Newspapers are a good barometer of local ad demand strength. Instead of hitting bottom in 1990, as many expected, ad spending declines were even greater in the first three quarters of 1991. But by the fourth quarter the rate of decline was moderating, and a number of markets were starting to have modest gains for the first time in nearly two years.

Outlook for 1992

In the first half of 1992, many newspapers will see noticeable improvement in ad revenues, but the best gains probably won't show up until the second half.

National marketers have been reining in their TV ad budgets since the mid-'80s. Spot TV revenue growth has been lagging behind economic growth since 1987.

In 1990, election activity and a spurt of new-product introductions fueled a bit of a turnaround, but the invasion of Kuwait and the recession ended the improved trends, and spot budgets plunged. However, by the closing months

(Continued on Page 51)

Nabisco plots strategy to sell Oreos with videos

Rent a film and munch some . . . cookies, crackers

By Judann Dagnoli

If Nabisco Biscuit Co. has its way, videophiles will soon be picking up a package of Oreo or Chips Ahoy! cookies the next time they rent a movie at their local video store.

The company is now targeting the nation's 30,000 video rental stores for its lineup of single-serve cookie and cracker products.

"Snacking and watching movies is the perfect tie-in," said Doug Hazlett, Nabisco director-marketing. "This will drive incremental sales for both the retailer and us," he said, adding that Nabisco is hoping to use cross-promotions involving video releases in the future.

"We're now doing some test runs in a couple of stores," said Mr. Hazlett, who declined to name specific video outlets. "But we are going national with it."

Blockbuster Entertainment Corp. said the company "has had several discussions with Nabisco" about its interest in entering Blockbuster stores, "but we're still in discussion and nothing has been decided." Blockbuster is the leading player in the $11 billion video rental industry, followed by West Coast/National, Tower Video, RKO/Warner Video and Palmer Video.

To sell video rental stores on Nabisco products, the company is using some non-traditional methods, including direct mail and telemarketing.

Mr. Hazlett said the company has begun a direct

(Continued on Page 49)

Roth: Is he agency or client?

Investing in marketing companies puts Admarketing's chief in nasty battle with retailer C&R Clothiers

By Bradley Johnson

Meet Jack Roth, ad agency owner and ceo. And meet Jack Roth, a major shareholder and top executive of a client of Jack Roth's agency.

In other words, meet Jack Roth's client and Jack Roth's adman, both of whom are Jack Roth.

You might call it confusing. You might even call it a conflict of interest.

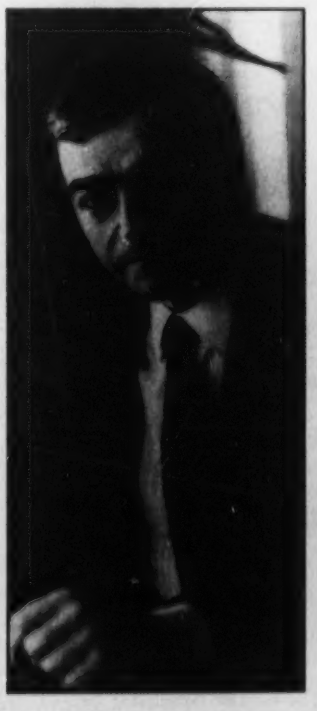
Jack Roth doesn't. The president-ceo of Admarketing, one of Los Angeles' largest agencies, says it makes good sense to invest his personal money in the stock of his agency's clients and that it's a testament to his confidence in them.

This can get messy at times, as it now has with Admarketing's former client, C&R Clothiers, a West Coast men's wear chain with annual sales of about $100 million.

Mr. Roth, 55, owns 22% of the closely held company and was its co-chairman and co-ceo until resigning those posts last month, the day before C&R filed for Chapter 11 bankruptcy protection. C&R then fired Admarketing.

Now Mr. Roth is levying

(Continued on Page 8)



Jack Roth is president-ceo of Admarketing, the agency that created the attention-getting ads last year for C&R Clothiers, a West Coast men's retailer.

Doug Goodman

Paul Zarrillo says he's out more than $20,000.

Brown's unpaid bill is primary concern for T-shirt supplier

By Steven W. Colford

Jerry Brown might want to "Take back America" but Paul Zarrillo just wants him to pay for 6,000 T-shirts.

Mr. Zarrillo, a Manhattan-based vendor of advertising and promotional supplies, claims he's out more than $20,000 because the Brown Democratic presidential campaign allegedly ordered and then failed to pay for promotional supplies from Mr. Zarrillo's Kimco Industries.

Days before the April 7 New York primary, Mr. Zarrillo said, he agreed to provide to the Brown campaign 30,000 buttons and about 6,000 silk-screened T-shirts with an image of the White House and the former California governor's populist slogan, "We the People."

POLITICS ★★★★ 92

"We were approached by a fellow who is referred to by the nickname Irish," Mr. Zarrillo said. "He represented himself as a personal friend of Jerry Brown's, and the assistant national campaign manager."

The deal was consummated with the same campaign staffer, allegedly from Brown's Manhattan headquarters, and terms were cash on delivery.

"He appeared to be well-established and respected within the campaign," Mr. Zarrillo said of the man called Irish. "Normally we would have insisted upon prepayment for any job done for a political candidate because everyone knows you can't trust these guys, right?

"But . . . we gave this defender of the people the benefit of the doubt. We like Jerry Brown . . . We got sucked in because we were told that within 24 hours we would get cash."

Kimco made good on an initial delivery of a few thousand buttons and shirts, Mr. Zarrillo said, but received only about $1,000. He said he told the Brown campaign he'd deliver the rest only after getting paid.

Now he has mountains of Jerry Brown buttons and T-shirts on the floor of his New Jersey warehouse, threats of lawsuits from unpaid subcontractors on his mind and a stack of unreturned calls from Brown campaign staffers on his desk.

"Kimco Industries is not the only little guy getting hurt here either," Mr. Zarrillo said. "Now we are being seriously threatened [with lawsuits] by our own suppliers, with whom we've been working for a good, long time without incident—up to now."

Further complicating the issue is a claim by an Albany, N.Y., design shop, Forsythe, Winslow & Bullard, that the T-shirt design was actually a design that Forsythe proposed Feb. 18 via fax to the Brown campaign's national headquarters in Los Angeles.

"We sent them a proposal for T-shirts . . . that was rejected. They told us their campaign didn't do T-shirts," said Charles Winslow, a partner at Forsythe. "Now we see our design on their T-shirts."

Mr. Winslow said he, too, dealt with the mysterious Brown volunteer Irish, who provided Mr. Zarrillo's company with a design for T-shirts. He said he's waiting for a public apology from the campaign.

Repeated phone calls to Brown headquarters in Manhattan and New Jersey went unanswered. A press aide at the candidate's Los Angeles headquarters said he knew nothing about the transaction. □

Warner-Lambert ad $ out-Fox Big 3 networks

By Joe Mandese

Warner-Lambert Co. is the Foxiest advertiser on prime-time TV.

Last year, the company placed $34.8 million, or about 38% of its total prime-time network TV budget, on Fox Broadcasting Co., making it the biggest advertiser on the fledgling network.

By comparison, Warner-Lambert spent only $26.7 million on CBS, $17.8 million on ABC and $12.3 million on NBC, according to Nielsen's Monitor-Plus, a new advertising expenditure service competing with Arbitron Co.'s MediaWatch.

Since MediaWatch doesn't include Fox in its network TV reports, Monitor-Plus' service provides the first glimpse of advertiser spending activity on the 5-year-old prime-time network.

Warner-Lambert's outlay means a lot of money for Bart, Lisa, Maggie, Marge and Homer Simpson and other Fox hits, considering Fox currently programs only about half the prime-time hours weekly of any of the Big 3 networks.

The Big 3 currently program 22 hours weekly. Fox typically programs about 10 prime-time hours each week, with an occasional 2-hour movie on Monday nights, as well as sporadic prime-time specials.

Other big network advertisers are also spending a disproportionate share of their prime-time ad budgets on Fox, which delivers a higher concentration of young adult viewers than the Big 3.

Coca-Cola Co. spent $24.1 million, or about 25.2% of its four-network prime-time total, on Fox, compared with $34.1 million on ABC, $25.8 million on NBC and $11.7 million on CBS.

Walt Disney Co. spent $15.5 million, or about 18.3% of its prime-time network TV budget, on Fox, compared with $23.9 million on NBC, $22.7 million on CBS and $22.7 million on ABC.

And Anheuser-Busch spent $13.4 million, or about 16% of its prime-time budget, on Fox, a curious allotment considering that Fox's strength is among 18-to-24-year-olds, many of whom are well below the legal drinking limit.

While most major prime-time network advertisers spent a proportionately lower share of their budgets on Fox, many of their divisions and brands targeted at Fox's younger audience spent heavily on the network.

General Motors Corp., for example, placed only 6.5% of its $363.2 million prime-time budget on Fox, but GM's Saturn subsidiary allocated $8.8 million, or about 24.5% of its total prime-time budget, on the network.

Philip Morris Cos. spent only 10.6% of its $238.2 million corporate prime-time total on Fox, but its Louis Rich Co. division allocated $1.4 million, or 30.1% of its prime-time total, on Fox.

Interestingly, Philip Morris' Miller Brewing Co. division placed $8 million, or about 9.4% of its prime-time budget, on Fox, a lower percentage than A-B but still a significant outlay for a brewery, given Fox's audience appeal.

And, as might be expected, Fox parent News Corp. spent $10.7 million, or 25.8% of its prime-time budget, on its own network. □

Spending

(Continued from Page 3)

executive who buys network TV for an imported car account, said the Arbitron data were closer. However, he said both were "way off-base."

Theoretically, both services should produce similar estimates, because the data are provided by the networks themselves.

Executives at both companies say each network provides monthly rate estimates for the cost of a 30-second commercial in each program.

Using electronic systems for monitoring commercials, both companies simply ascribe the estimates for commercial time to the number of units bought by an advertiser.

Occasionally, when networks refuse to comply with requests to provide cost estimates, the companies solicit the information from major ad agencies.

At best, the estimates are rough guidelines. This is especially true because virtually all TV ad costs are negotiated, with the rate estimates used by both services serving merely as guidelines by network sales executives and media buyers.

But in an industry that hungers for competitive information, the Arbitron estimates have been treated as gospel.

However, Monitor-Plus is bound to set off debates about the validity of the data produced by each service. In fact, the American Association of Advertising Agencies has already created a committee to investigate the validity of the two companies' data.

"Our experience is our strength."

Dubbed the Committee on Competitive Research Quality, the group plans to launch a side-by-side comparison of the two services starting this summer.

"We probably won't have any answers until this fall," said Bruce Goerlich, senior VP-director of media research at D'Arcy Masius Benton & Bowles, New York, and chairman of the committee.

Mr. Goerlich said the group will analyze detailed data, including the commercial logs and tapes of both services.

He said the primary goal is to verify that commercials are being accurately monitored by the two services and that the price estimates are secondary.

Many buyers say Monitor-Plus offers significant variations that make it an attractive alternative.

For example, Nielsen measures Fox Broadcasting Co. in its network TV reports. Arbitron reports the Fox data in its TV syndication report in a form that advertising executives say makes it hard to estimate ad activity on Fox.

Nielsen also measures all 17 major cable TV networks while Arbitron measures eight.

"Monitor-Plus is a market-driven product," said Ric Spicer, director of sales for the system. "We have listened to what our potential clients are saying about what they want in a monitoring service and designed Monitor-Plus to meet their needs."

But Arbitron claims its long track record makes it a more reliable source.

"Our experience is our strength. We've been doing this for years, and we've had time to work out the bugs," said Thom Mocarsky VP-communications of Arbitron.

In the mid-1980s, Arbitron acquired Broadcast Advertisers Reports, a manual service that was relaunched in January as MediaWatch, an electronic system. □

P&G says: It's gum! It's cough drop!

By Dagmar Mussey

GLOBAL NEWS

DUESSELDORF—Procter & Gamble Co. is creating a new market segment in Germany with the introduction of Vick Throat Gums.

If successful in Germany, the product may go worldwide. The gum, which has the same benefit as a cough drop, is now starting distribution to grocery stores and pharmacies. It's chewed until it dissolves entirely.

"With the new Vick Throat Gums, P&G is entering an entirely new product category," a P&G spokeswoman said. Though the product will be placed on shelves near regular chewing gums, a $280 million market, the medicinal qualities will pit it against players in the $330 million cough drop market.

"After the German launch is completed, P&G will definitely roll out in all big European markets," said an executive familiar with P&G. P&G wouldn't comment.

An ad now in the food trade press says: "Procter & Gamble . . . Our strongest innovation since Vick Blue [cough drops]. The new Vick Throat Gums will have a strong effect on your fruit gum shelf."

The ad says the launch will be supported by 900 radio and TV spots and 14 million samples.

"I expect that Procter & Gamble is backing the new product with at least $7 million," an agency executive said. Michael Conrad & Leo Burnett, Frankfurt, handles.

P&G this week breaks a radio spot for the new gum; a 30-second TV spot will begin in midsummer. □

Scott Stabler

Daniel Stiel: Hawking every last inch of ad space.

Bank hypes new ad medium: Itself

By Bradley Johnson

First Interstate Bank of California is bringing new meaning to the term commercial bank.

California's third-largest bank already hawks Ginsu knives in credit card bill stuffers and hypes discount loans in neon-paint window ads. But that's just the beginning.

VP-Marketing Daniel Stiel envisions selling ad time on TV monitors in the teller lines, leasing poster space next to automated teller machines, selling space on bank receipts and letting vendors set up promotional displays inside bank branches.

"Maybe we should have Veg-O-Matic displays with hawkers barking out to the customers," Mr. Stiel said, only somewhat jokingly. "It might be fun."

Mr. Stiel has already done limited cross-promotions, such as putting newly introduced Mazda Miata sports cars inside bank branches—which, conveniently, could make on-the-spot car loans.

"Maybe we should have Veg-O-Matic displays with hawkers barking out to the customers."

First Interstate last year generated nearly $1 million, primarily from bill stuffers, Mr. Stiel said, and he wants to improve that. Every little bit helps; parent First Interstate Bancorp lost $288 million last year, largely a result of loan problems in Arizona and other states where it expanded.

Mr. Stiel is looking for outside help for his more ambitious schemes, so he's inviting proposals from Whittle Communications, Turner Broadcasting System and other companies experienced in niche marketing.

First Interstate is offering advertisers a chance to reach its 1.5 million California customers who use the bank's 350 ATMs or visit its 320 branch offices.

"Any retailer would recognize if you're spinning that many customers through your lobby, there's some value there, and it's a captive audience," Mr. Stiel said, adding that customers spend an average 3 minutes waiting for a teller.

The goal is "how can we work with other companies to enhance the value to the customer, increase the income to the bank and provide a new outlet for advertisers that would be a good synergistic match to a bank," he said. "We're not even sure what they are. Is it an airline? Is it a car? Is it a cerealmaker?"

Or a Ginsu knife?

"A plethora of Ginsu knife offers might cheapen the image of the bank," Mr. Stiel said. But he keeps running the offers in credit card statements because they represent "significant fee income."

Mr. Stiel, to be sure, is concerned about appearances.

"We have a certain image for stodginess to maintain," he said. "We are a bank, and people expect the bank to be respectable and perhaps conservative."

But faced with limited ad money, he's been willing to try non-traditional approaches. Mr. Stiel is a big believer in promoting bank deals in gaudy neon paint on branch windows.

"It's been an extraordinarily cost-effective way to break through some clutter and make some noise in the L.A. market," he said of the window ads. "As tacky and god-awful as they are in terms of what sophisticated marketing people like to do, they work."

First Interstate will spend $2 million to $3 million on advertising this year, Mr. Stiel said, down significantly from $4 million to $5 million in 1991. Campbell & Wagman, Los Angeles, handles. □

Hollywood zeros in

Studios hope targeted efforts will stand out

By Marcy Magiera

When Columbia Pictures opens "A League of Their Own" this summer, visitors to Major League Baseball parks may be among the first to know about it.

In one of the narrowly targeted marketing efforts rapidly becoming de rigueur in Hollywood, Columbia is said to be planning to promote the film about the 1940s All-American Girls Baseball League to a natural audience: baseball fans.

Columbia's planned cross-promotion with Major League Baseball signals movie marketers' growing sophistication and broader acceptance of narrowly targeted marketing efforts.

Gone are the days of the simple movie marketing formula consisting of a network TV buy supported by newspaper ads.

The new strategy gaining popularity is to motivate moviegoers first who are already interested in the subject matter. Positive word-of-mouth from early viewers usually helps broaden a film's total audience.

Apart from cost savings over network TV schedules, targeted media buys may be just the ticket to distinguish a film this summer, when mainstream ad vehicles are flooded with hype for Warner Bros.' "Batman Returns"

For example, 20th Century Fox Film Corp. selected CBS' National Collegiate Athletic Association basketball championship coverage to promote its comedy about Los Angeles basketball hustlers, "White Men Can't Jump."

Likewise, Paramount Pictures Corp. made sure it reached heavy-metal heads, the core audience for "Wayne's World," by spending the bulk of its TV budget on MTV: Music Television.

MOVIE

Paramount apparently is happy with the results. "Wayne's World" has taken in close to $100 million at the box office, and Arthur Cohen, the studio's president of worldwide marketing, is extolling the virtues of MTV in a trade print campaign for the network.

Young & Rubicam, New York, buys 20th Century Fox's media. Ogilvy & Mather, Los Angeles, handles placement for Paramount. Both studios create ads in-house.

Rather than appealing to audiences with specific interests, some movie marketers are experimenting with new ways to identify and appeal to frequent moviegoers.

Columbia's romantic comedy, "Year of the Comet," is the subject of a 2-minute feature program of celebrity interviews and behind-the-scenes footage running on all the screens in the United Artists Theatre Circuit. Called "United Artists Theatres 'Closeup,' " the monthly program is produced by cable service E! Entertainment Television.

"We felt that the awareness of [frequent moviegoers] was imperative," said Bettina O'Mara, manager of publicity and promotions for "Comet" producer Castle Rock Entertainment.

Walt Disney Co. is trying to reach movie fans with a direct mail campaign promoting two current releases, the musical "Newsies" and "Straight Talk" starring Dolly Parton, to members of AMC Entertainment Co.'s MovieWatcher frequent moviegoer program.

"It's an experimental program," said Jack Holland, VP-marketing for AMC. He said the theater chain is planning similar campaigns with other studios but declined to elaborate.

Disney creates ads in-house. Western International Media, Los Angeles, handles placement.

Perhaps the most unusual in-theater ad vehicle is one that gets patrons while they munch.

Cinemedia Corp. is testing ads on popcorn bags in San Diego area theaters. Its first movie advertiser is Universal Pictures for the upcoming Steve Martin comedy "The Housesitter."

DDB Needham Worldwide, Los Angeles, is Universal's agency. □

TV CLUTTER: Who has the most, who's hurt the worst

By Joe Mandese

Commercial clutter may be more damaging in network prime time than daytime, and more common on cable and syndicated TV than network TV.

Those are the findings of two new studies from Drexel University professor Robert Kent and the Network Television Association, respectively.

Mr. Kent, an assistant professor in Drexel's marketing department, found competitive clutter most heavily concentrated in prime-time network TV.

Based on an analysis of 15 hours of prime time and 15 hours of daytime TV during a week in December 1991, Mr. Kent found daytime had the highest overall clutter level, averaging 31 spots per hour.

But while prime time averaged only about 20 spots per hour, it had a greater concentration of competitive commercials: 32% vs. 21% in daytime. Competitive clutter is defined as spots from two or more competing advertisers placed within the same hour.

Competitive clutter has grown in recent years because advertisers have become better at using demographic data to target their buys, Mr. Kent said.

The study found that exposing a viewer to only two spots for competing brands resulted in more than a 25% reduction in brand name and ad claim recall.

In the most extreme cases, half the spots in an hour were competitive. For example, of the 20 commercials airing during 1 hour of a prime-time movie last December, there were 10 competing commercials in four categories.

Of the 31 commercials during a 1-hour daytime soap opera last December, Mr. Kent found 15 competitive spots in seven categories.

Mr. Kent speculated there's more competitive clutter in prime time because many of the most competitive advertisers use that daypart. The main culprits are the automotive, beer, soft-drink, fast-food and airline categories.

Cable clutter

Average amount of minutes per hour allotted by each cable network for paid national and local commercials.

A&E	9:35
CNBC	13:09
CNN	13:22
Discovery	10:37
ESPN	9:54
Family	11:38
Lifetime	11:42
Nashville	12:54
Nick at Nite	10:53
TNT	10:05
USA	10:29
WTBS	10:22
Average	11:12

Source: Arbitron, Nov. 11-16 & 24, 1991

NBC had the highest competitive clutter level of the Big 3, Mr. Kent said. In prime time, an average of 38.8% of NBC's commercials in 1 hour were competitive, compared with 28.8% for CBS and 28.5% for ABC.

In daytime, competitive spots accounted for 25.2% of NBC's commercials, compared with 20.1% for ABC and 16.7% for CBS.

Competitive clutter levels would be higher on other TV outlets, including Fox Broadcasting Co., cable and syndication, because they tend to have higher overall clutter levels, Mr. Kent said.

A separate study commissioned by the Network Television Association showed that in prime time, the Big 3 average only 9 minutes, 12 seconds of commercials per hour, compared with 11 minutes, 4 seconds for Fox; 11 minutes, 12 seconds for cable; 11 minutes, 21 seconds for independent TV stations; and 13 minutes, 21 seconds for syndicated programming.

The study was based on information from Arbitron Co.'s MediaWatch for a week last November. On average, the Big 3 ranged from 17% to 30% less commercial clutter per prime-time hour than other national TV outlets.

Among the 12 cable networks tracked, Cable News Network had the most commercial clutter per prime-time hour with 13 minutes, 22 seconds, while Arts & Entertainment had the least, with 9 minutes, 35 seconds. □

SALES PROMOTION

Agency services take on exaggerated importance for marketers

By Scott Hume

So far, the 1990s can be called the Decade of Promotion.

Just consider the hot issues in consumer product marketing: declining brand loyalty; audience fragmentation; micromarketing; database marketing; event/entertainment sponsorship; account-specific marketing; in-store marketing; the power of the retailer; everyday low pricing.

The numbers bear witness to the trend as well. Trade promotion accounted for 49.5% of total marketing spending last year, with 25.4% allocated to consumer promotion and the remaining 25.1% going for media advertising, according to the latest Survey of Promotional Practices from Donnelley Marketing.

Promotion shops are chasing the trends, according to *Advertising Age's* fifth annual survey of sales promotion and promotional services shops.

Agencies providing these services have never before been under such a spotlight, and perhaps never have their services been as important to marketers as in the 1990s.

Marketers have been forced to rethink strategies for reaching consumers and the retail trade; retailers are redefining what they want from marketers; consumers are re-evaluating the importance of brands, prices, value and service.

Short term, those forces have accelerated the maturation of the promotion industry and its relationship with clients. Long term, they may be changing the makeup of the industry itself.

One tier emerging strongly is identified as sales promotion agencies by *Ad Age* methodology. They provide strategic consulting and a broad array of services. A second tier, called promotional services shops by *Ad Age*, specializes in the tactical and executional services from which the industry was born.

Many respondents to *Ad Age's* annual survey indicate they're adding services and hiring specialists to provide more trade consulting, database and direct marketing and consumer-research capabilities to meet increasing demands from clients.

Those classified as sales promotion shops increased in the survey; those ranked as providing mostly promotional services decreased.

> **"How you fold [in modules] is tricky, and that's the challenge we're facing."**

"You can't tier the promotion industry just by size anymore," says Jeff McElnea, president of Einson Freeman and president of the Council of Sales Promotion Agencies.

"Some shops that are more executionally oriented have higher billings, but that doesn't necessarily reflect their importance to clients.

"Promotional expertise is expanding in multiple directions. The integration of database into promotion is one module" of many.

"How you fold [all the modules] together is the tricky part, and that's the challenge we're facing," he says.

Frankel & Co. has formed Entertainment Marketing Group, formalizing its capabilities in signing tie-in partners and licensing agreements for clients such as McDonald's Corp. and Target Stores. Joining Frankel's sports marketing, public relations and direct response departments, the new unit is the kind of added service separating the two types of agencies.

"There's been an explosion of promotion agencies over the last decade, but there is a layer at the top that has become bigger, with more specialization," says Robert Schneider, the VP-management representative named to head the entertainment group.

"Companies are still looking for the big idea promotion, but that idea may have a lot of diverse elements to it," says Tony Fiore, exec VP at

(Continued on Page 32)

Sales promotion agencies by U.S. gross income

Rank 1991	Rank 1990	Agency, headquarters	U.S. gross income 1991	U.S. gross income 1990	% chg	Leading service by % of revenue: Service	percent	Top executive, title	Telephone	Verified
1	1	**Alcone Sims O'Brien,** Irvine, Calif.	41,709	39,051	6.8	graphics/coll, database	10.0	M. Alcone, J. Sims, D. O'Brien, co-chmn	(714) 770-4400	
2	3	**D.L. Blair,** Garden City, N.Y.	33,323	27,704	20.3	consulting	18.5	T.J. Conlon, ceo	(516) 746-3700	
3	7	**Marketing Corp. of America,** Westport, Conn.	27,134	21,962	23.5	merch/POP, consulting	10.0	Chris P. Barr, president	(203) 222-1000	
4	4	**Clarion Marketing & Communications,** Greenwich, Conn.[1]	26,809	26,026	3.0	dir mktg	20.0	Raymond S. Rizzo, ceo	(203) 531-3600	✔
5	5	**Ross Roy Group,** Bloomfield Hills, Mich.[1]	25,384	24,742	2.6	merch/POP	25.0	Glen W. Fortinberry, chmn-president	(313) 433-6000	
6	2	**Cato Johnson Worldwide,** New York[1]	23,891	28,152	(15.1)	merch/POP, promo adv	10.0	Jean-Paul Lafaye, worldwide chmn	(212) 941-3700	
7	6	**Frankel & Co.,** Chicago	22,376	23,004	(2.7)	merch/POP	31.0	Bernard Frankel, chmn	(312) 938-1900	✔
8	9	**Comart,** New York	16,064	14,500	10.8	mkt rsch	14.0	Vince Sottosanti, chmn	(212) 714-2550	
9	8	**Flair Communications,** Chicago	15,185	15,803	(3.9)	dir mktg, swps/games	10.0	Lee Flaherty, chmn	(312) 943-5959	
10	10	**Ryan Partnership,** Westport, Conn.	14,699	11,930	23.2	consulting	22.0	Thomas P. Libonate, president	(203) 226-3136	✔
11	11	**U.S. Communications,** Minneapolis[1]	13,674	11,431	19.6	dir mktg	35.0	Terence M. Graunke, chmn-ceo	(612) 373-3000	✔
12	14	**QLM Associates,** Princeton, N.J.	12,184	9,767	24.7	graphics/coll	23.0	W. Robert Lipsky, president	(609) 683-1177	✔
13	12	**IMPACT,** Chicago	11,700	10,635	10.0	consulting	15.0	Joseph P. Flanagan, president	(312) 751-3500	✔
14	18	**Robert A. Becker Inc.,** New York[1]	10,445	7,983	30.8	graphics/coll, dir mktg	15.0	Sander A. Flaum, president-ceo	(212) 727-7000	
15	15	**Columbian Advertising,** Chicago [1]	9,658	9,425	2.5	dir mktg	20.0	Bernard J. Miller Jr., chmn	(312) 943-7600	✔
16	13	**Glendinning Associates,** Westport, Conn.*	9,600	10,500	(8.6)	trade promos	15.0	John A. Caputo, exec mg dir	(203) 226-4711	
17	17	**Siebel/Mohr,** New York	7,884	8,492	(7.2)	graphics/coll	18.0	Thomas McCann, president	(212) 593-0500	
18	21	**Beaumont-Bennett Group,** New York	7,600	7,200	5.6	trade promos	12.0	Jack Brown, chmn-ceo	(212) 886-3300	
19	20	**Don Jagoda Associates,** Melville, N.Y.	7,563	7,388	2.4	swps/games	15.1	Don Jagoda, president	(516) 454-1800	✔
20	19	**Lifestyle Marketing Group,** New York	7,419	7,760	(4.4)	consulting	15.0	Donald R. Dixon, chmn	(212) 463-2500	
21	22	**Block & Nardizzi,** Stamford, Conn.	6,263	4,658	34.5	merch/POP	16.0	Chuck Nardizzi, ceo	(203) 969-1311	
22	16	**Promotional Marketing,** Chicago	5,536	8,547	(35.2)	sampling	40.0	Alan K. Swift, president	(312) 943-0900	✔
23	23	**McCracken Brooks Communications,** Minneapolis	5,048	4,529	11.5	consulting	15.0	Keith McCracken, president-ceo	(612) 921-8400	
24	26	**Amrein Marketing Associates,** Westport, Conn.	4,737	3,452	37.2	swps/games	18.9	James R. Amrein, president	(203) 454-3500	✔
25	24	**CCM,** New York	4,321	4,024	7.4	merch/POP	20.0	Steven Polachi, partner	(212) 689-8225	
26	25	**Marcon Marketing Services,** New York	4,227	3,842	10.0	merch/POP, premiums	14.0	Stephen Field, president	(212) 683-3332	
27	29	**ICE Communications,** Rochester, N.Y.	3,600	3,000	20.0	graphics/coll	40.0	Francis Cosentino, president-ceo	(716) 244-5400	✔
28	32	**Louis London,** St. Louis —	3,535	2,479	42.6	merch/POP, graphics/coll	20.0	Mark Shapiro, president	(314) 367-4100	✔
29	28	**Marketing Continuum,** Dallas[1]	3,374	3,029	11.4	merch/POP	45.0	Roberta A. Merkel, ceo	(214) 520-0080	✔
30	29	**Stromberg-Connors,** Rye Brook, N.Y.	3,150	3,000	5.0	graphics/coll	35.0	Hank Stromberg, president	(914) 939-4080	

Notes [illegible]

Heady growth days vaporize for shops

Gross income for agencies increases 'only' 6.3% to $690 million

By Kenneth Wylie

The good news: sales promotion revenues are up. The bad news: the 1991 increase is less than half of what it was the year before.

According to *Advertising Age's* fifth annual sales promotion survey, U.S. gross income for promotion shops rose 6.3% to $690.2 million in 1991. This was a notably smaller increase than the 14.1% gain sales promotion experienced in 1990. Gross income is the industry's terminology for revenue.

Even so, the sales promotion industry again experienced higher growth than the Top 500 U.S. advertising agencies reported by *Advertising Age* (AA, April 13).

Ad agencies grew only 2.9% in the U.S., compared with 6.2% in 1990.

Non-U.S. revenue for the surveyed sales promotion agencies rose 8.6% to nearly $40 million in 1991. Total revenue from foreign operations of U.S. ad agencies rose 7% to $5.92 billion.

Survey respondents are divided into two groups: sales promotion agencies and promotional services agencies *(see story on Page 31)*. Essentially, sales promotion agencies derive most of their revenues from fees related to planning and development; promotional services agencies pull most of their revenues from execution.

Topping the sales promotion agencies is Alcone Sims O'Brien, formed by the merger of last year's No. 2 promotional services agency, Alcone Promotion, Irvine, Calif., and No. 6 sales promotion agency Sims Freeman O'Brien, Elmsford, N.Y. Alcone Sims reports 1991 revenue of $41.7 million, up 6.8% from 1990.

D.L. Blair was No. 2 with U.S. revenue up 20.3% to $33.3 million; Marketing Corp. of America, No. 3 at $27.1 million, up 23.5%; Clarion Marketing & Communications, No. 4 at $26.8 million, up 3%; and Ross Roy Group, No. 5 at $25.4 million, up 2.6%.

Ranking first among promotional services agencies for the second straight year is DCI Marketing, a supplier of point-of-purchase and merchandising materials. Revenues at DCI and No. 2 promotional services agency Lintas:Marketing Communications, fell slightly—DCI's by 0.1% to $61.6 million and Lintas:Marketing Communications' by 2.2% to $34.5 million.

In a recession, returns varied dramatically from one agency to the next. Nearly a third of the agencies responding showed lower or nearly flat 1991 revenue compared with 1990.

"Beginning in late 1990 and during 1991 many marketers were nervous about the shaky dollar, the whole shaky economy," says Alan Swift, president of Promotional Marketing, down 35.2% in 1991 gross income. "Things shifted to overall cautious, inhibited spending."

War, too, played a part, says Steve Zammarchi, chief operating officer of Cato Johnson Worldwide, which slipped 15.1% in 1991 gross revenue, compared with 1990. Operation Desert Storm depressed marketing promotion generally, says Mr. Zammarchi, and not just in the U.S.

"The first six months of 1991 were very quiet while clients were taking a wait-and-see position," Mr. Zammarchi explains, "and many of them opted not to do anything. There was a lot of planning but not a lot of execution."

Of the gainers, 46% boosted U.S. gross income 10% or more.

Heftiest gains among the sales promotion agencies came from St. Louis-based Louis London and Stamford, Conn.-based Hadley Group, each up about 43%.

Louis London's President Mark Shapiro traces growth to two grocery product accounts. One pushed the company to augment a new test-marketing service in 1991; the other boosted its spending as part of a shift away from brand advertising.

Among the top promotional services agencies in U.S. revenue gains were No. 43 Randazzo & Blavins, San Francisco, up 76.7%, and Market-zing Promotions, Cleveland, up 73.4%.

Says John Randazzo, president of Randazzo & Blavins: "We've been picking up momentum, [and] one account led to another. We won a sparkling wine account . . . and soon we were adding varietal wines and jug wines."

Market-zing is finding clients more receptive to sales promotion as a way of getting maximum value from marketing dollars, says Jim Devoe, president-ceo of parent Jayme Organization. One such client was a building products manufacturer who hyped the ordering of construction material by offering distributors incentives for the purchase of sporting goods. The distributor in turn spurred sales of the product to dealers by passing along the incentives.

More services are on the sales promotion plate now as clients seek to target customers more precisely. Among agencies surveyed, the biggest service shift was in promotions to the trade and direct marketing, particularly database utilization.

Of the 105 agencies covered in this report, 84 noted that direct marketing would be a major growth area in 1992. More than half of those were adding direct response to their list of services for the first time.

Although Young & Rubicam's sales promotion agency, Cato Johnson, merged with its direct marketing unit, Wunderman Worldwide, Cato Johnson's 1991 revenues of $23.9 million don't reflect any Wunderman business because the transaction hasn't been completed.

Wait till next year. □

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Sales promotion agencies (continued)

Rank 1991	Rank 1990	Agency, headquarters	U.S. Gross income 1991	U.S. Gross income 1990	% chg	Leading service by % of revenue Service	Percent	Top executive, title	Telephone	Verified
31	27	**Alley Marketing**, New York	$2,889	$3,089	(6.5)	consulting	15.0	Frank Ombres, president	(212) 545-8500	
32	31	**PGM**, Chicago [1]	2,785	2,696	3.3	graphics/coll	30.0	W.I. Goldman, S.D. Miller, partners	(312) 337-7676	✓
33	33	**Core Group Marketing**, Minneapolis [1]	2,500	2,400	4.2	consulting	40.0	Robert H. Hamilton, president	(612) 942-2939	
34	34	**Noble Promotion Group**, Springfield, Mo.	2,254	1,915	17.7	premiums	26.0	Tim Straus, sr vp-group dir	(417) 882-5050	
35	35	**Strategic Promotions**, Dallas	2,245	1,825	23.0	merch/POP, graphics/coll	20.0	Grahame R. Hopkins, president	(214) 871-1016	✓
36	38	**Hadley Group**, Stamford, Conn.	1,855	1,297	43.0	merch/POP, consulting	10.0	Victor Imbimbo Jr., president	(203) 323-8533	✓
37	36	**Dugan, Valva Associates**, Morristown, N.J.	1,720	1,486	15.8	graphics/coll	10.0	Peter Dugan, chmn	(201) 539-8880	✓
38	43	**Tracy-Locke Promotional & Regional Marketing**, Dallas	1,703	452	NA	merch/POP	20.0	Jake Schroepfer, president	(214) 969-9000	
39	40	**Mitchell & Co.**, Toledo, Ohio	1,481	1,176	25.9	swps/games, trade promos	5.0	Mark Mitchell, president	(419) 243-7600	✓
40	45	**Promotional Resources Group**, New York	1,388	413	NA	tie-ins	10.0	Victor Copello, president	(212) 481-9390	✓
41	37	**Pierce-Davis & Associates**, Arlington, Texas [1]	1,200	1,377	(12.8)	graphics/coll, dir mktg	15.0	Bill Pierce, president	(817) 261-1111	✓
42	39	**Source Marketing**, Westport, Conn.	1,150	1,258	(8.6)	merch/POP, graphics/coll	15.0	Howard Steinberg, president	(203) 454-0348	
43	46	**Sukon Marketing Communications**, New York *	1,117	405	NA	promo adv	25.0	Joseph Harris, president	(212) 627-5454	
44	41	**Wolf Mansfield Bolling**, Buffalo, N.Y.	1,100	990	11.1	merch/POP, graphics/coll	10.0	Larry Wolf, ceo	(716) 853-1200	
45	42	**Promotion Group Central**, Evanston, Ill.	914	955	(4.3)	swps/games	18.0	Edward J. Drumm, president	(708) 866-0100	
46	44	**DD&A**, Chicago	432	421	2.7	consulting	19.0	Dean Daigler, president	(312) 372-4722	✓
47	47	**DK Group**, Hillsdale, N.J.	263	221	19.0	consulting	30.0	Richard Knel, president	(201) 358-6100	✓

Notes: Dollars are in thousands. Rankings are based on gross income, defined as billings to clients less outside costs. Rankings for 1990 are computed from figures reported in 1991. Abbreviations in leading service column denote: direct marketing, database promotions, event marketing, graphics/collateral, market research, merchandising/POP, premiums/incentives, promotional advertising, promotional packaging, sweepstakes/games/contests, tie-ins/licensing, trade promotions. Leading service does not include concept development and strategic planning. Percent of revenue applies to each service listed. ✓ indicates an independent accountant verified figures. 1. Gross income includes minor portions of income from services other than sales promotion; 2. Gross income is limited to sales promotion returns; * Figures from 1990 are for 4 months. **Source:** Ad Age survey.

Methodology

Agencies with sales promotion activities generally fall into two camps—those long on planning and those heavy on execution.

For *Advertising Age's* fifth annual sales promotion survey, the term for the former is sales promotion agencies and for the latter, promotional services agencies. The two sets are ranked separately.

Revenues for sales promotion shops tend to be largely fee-oriented. Promotional services shops draw a larger percentage of their revenues from markups for materials and services and media commissions.

To be listed as a sales promotion shop, an agency must draw 40% or more of its fees from strategic planning and concept development. Also, a sales promotion agency must pull at least 50% of its revenues from all fee-related activities.

(An agency on the sales promotion chart in the prior year remains there even if its fees from the program planning stage dip below 40%. Only one agency was grandfathered in by this procedure.)

A promotional services agency draws more than 60% of its revenues from execution of one or more sales promotion functions such as sweepstakes, tie-ins, graphics/collateral, merchandising/POP, etc. It generally has developed an expertise in specialized areas that makes it a supplier to both advertisers, regular ad agencies *and* sales promotion shops.

Regular ad agencies and direct response agencies with sales promotion functions appear on the promotional services chart but are ranked by their sales promotion returns because those are less than 50% of the agency's total. If more than 50%, the agency's listing here is based on total revenues. □

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Promotional services agencies by U.S. gross income

Rank 1991	Rank 1990	Agency, headquarters	U.S. Gross income 1991	U.S. Gross income 1990	% chg	Leading service by % of revenue Service	Percent	Top executive, title	Telephone	Verified
1	1	**DCI Marketing**, Milwaukee	$61,548	$61,600	(0.1)	merch/POP	39.0	Ron Chimenti, president	(414) 228-7000	✓
2	2	**Lintas: Marketing Communications**, Warren, Mich. [1]	34,459	35,248	(2.2)	NA	NA	Frank Hoag, chmn	(313) 575-9400	
3	3	**MarketSource**, Cranbury, N.J. [1]	27,500	21,600	27.3	dir mktg, sampling	25.0	Martin D. Levine, president	(609) 655-8990	✓
4	4	**Stratmar Systems**, Port Chester, N.Y. [1]	14,000	14,000	0.0	fulfillment	25.7	Dan Ailloni-Charas, president	(914) 937-7171	
5	6	**Merchandising Workshop**, New York	9,500	9,700	(2.1)	graphics/coll	55.0	Norman Alshooler, president	(212) 239-4646	
6	5	**BDS Marketing**, Irvine, Calif.	9,377	12,066	(22.3)	sampling	35.0	Beverly Totman-Ham, president-ceo	(714) 753-1600	
7	7	**Communications Diversified**, New York	8,900	9,300	(4.3)	sales meetings/av	25.0	William H. Henneberry, chmn	(212) 213-3300	
8	8	**Ensor Freeman**, Paramus, N.J. [1]	7,032	6,485	8.4	swps/games	18.0	Jeffrey K. McEnea, president	(201) 262-7200	✓
9	9	**Diamond Promotion Group**, New York	6,280	5,430	15.7	graphics/coll	20.0	Andrew Cohen, president	(212) 685-6622	✓
10	11	**Strottman Group**, Irvine, Calif.	5,259	4,503	16.8	premiums	NA	Ken Strottman, ceo	(714) 852-1166	
11	12	**Local Marketing Corp.**, Cincinnati	5,011	4,396	14.0	promo adv	50.0	Lee A. Carter, president	(513) 241-5158	
12	17	**Waylon**, St. Louis	4,994	3,650	36.8	graphics/coll, promo pkg	10.0	James E. SanFilippo, president	(314) 231-6500	
13	13	**Smiley Promotion**, New York	4,500	4,290	4.9	swps/games	40.0	Ronald Smiley, president	(212) 986-3909	✓
14	19	**Fresh Perspectives**, Armonk, N.Y. [1]	4,300	3,396	26.6	graphics/coll	25.0	Caren Berlin, president	(914) 273-6802	✓
15	10	**Marketing Support**, Chicago	4,245	4,534	(6.4)	graphics/coll	34.0	David L. Weiner, president	(312) 565-0044	✓
16	15	**Highland Group**, Southport, Conn.	4,050	3,935	2.9	promo adv	20.0	Fred Tscheulin, ceo	(203) 254-3505	

Notes: Dollars are in thousands. See Page 31 for footnotes and methodology

Chart continued on Page 34.

AA Chart: Kathy Welyki

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Agencies

(Continued from Page 29)

MarketSource, a specialist in college programs. "Business as usual isn't getting it done.

"As a result, a lot of major agencies are . . . trying to handle a client's business top to bottom. The trend is for clients to move to bigger houses, and they're going to be the most successful over the next several years."

"The recession has hit strategic agencies less than the executional shops," says Joe Flanagan, president of Impact, Chicago, the sales promotion unit of Foote, Cone & Belding. "Clients aren't ever going to walk away from a resource that can say, 'Here's how to spend your promotion dollars more effectively.' "

That doesn't mean every agency has to offer every service, he says. His shop isn't "really into the database business now. Maybe we're selling ourselves short down the road. But you've got to have your priorities."

The focus on trade promotion has obscured the role of consumer promotion, and some agency executives say communicating directly with consumers is especially important while the war over retail shelf space rages.

"Promotion marketing is evolving into two businesses in terms of the relationships with clients at the national brand level," says Jack Sims, co-chairman of Alcone Sims O'Brien. "Certain agencies have been able to adapt, while smaller agencies can't converse on that level."

Joe Flanagan, president of Impact, Chicago.

The growing importance of trade promotion has widened the gap between strategic and executional tiers, says Tim Straus, president of Noble Promotion Group.

"A small number of top agencies have understood that they need to become more strategic and that more is being done with the trade," he says. But there are a large "number of agencies . . . that remain more executional and more reliant on project work.

"Our relationships are becoming more ongoing, either on a retainer basis or through a series of projects that might as well be a retainer relationship.

"That's not to say we can't do quick turnaround, executional projects if that's what the client needs, but I think the gap between agencies with a broad array of services and those without will widen over time as the focus on strategic planning increases." □

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Shops find retailers, marketers take buddy system to heart

By Betsy Spethmann

Promotional partnerships between marketers and retailers are being singled out by agencies as expansion territory.

"It's all incremental business for the agencies," says Bernard Miller III, president of Columbian Advertising, Chicago.

Strategic alliances, retailer-specific promotions and national promotions with local elements are helping marketers win cooperation from influential retailers. As retailing becomes increasingly competitive, the retailers need the alliances as much as marketers do.

"Manufacturers and retailers working on a win-win basis is a '90s idea because it's efficient," says Ray Rizzo, president-ceo of Clarion Marketing & Communications, Greenwich, Conn. "The theme of the decade is not only price, it's efficiency —which allows price at a reasonable profit margin."

"Retailers are looking for an edge," says Joe Flanagan, president of Impact, Chicago, the sales promotion unit of Foote, Cone & Belding. "They'll take less money for bigger velocity."

For example, Impact created an effort last year for Louis Rich Co. that capitalized on the meat marketer's National Football League sponsorship. Tie-ins with local teams were offered to a grocery chain in each market; retailers doled out prizes, which included team posters, children's activity books and ticket discounts.

The program was so successful in boosting sales that Louis Rich plans to expand the effort this year.

In March, Clarion began a national spring-cleaning promotion for Drackett Co. tied to restoration of historic landmarks. Themed "The Great American Cleanup," it involved Windex glass cleaner, Renuzit air freshener and Vanish toilet bowl cleaner. The national effort was tied to George Washington's Birthplace Monument in Virginia; individual landmark tie-ins in 23 markets gave local impact.

Vendor-driven efforts will also strengthen long-term partnerships, says Keith McCracken, president-ceo of McCracken Brooks Communications, Minneapolis. These programs are designed by retailers who solicit marketers as partners.

McCracken Brooks is developing one for client ShopKo Stores centered on the mass merchandiser's 30th anniversary this summer. Shurfine Corp., a buying coop for 1,100 independent supermarkets, this fall breaks a nationwide promotion from Columbian that's tailored to individual stores. Participating marketers include Coca-Cola USA and Planters LifeSavers Co.

Effective sell-in programs

(Continued on Page 35)

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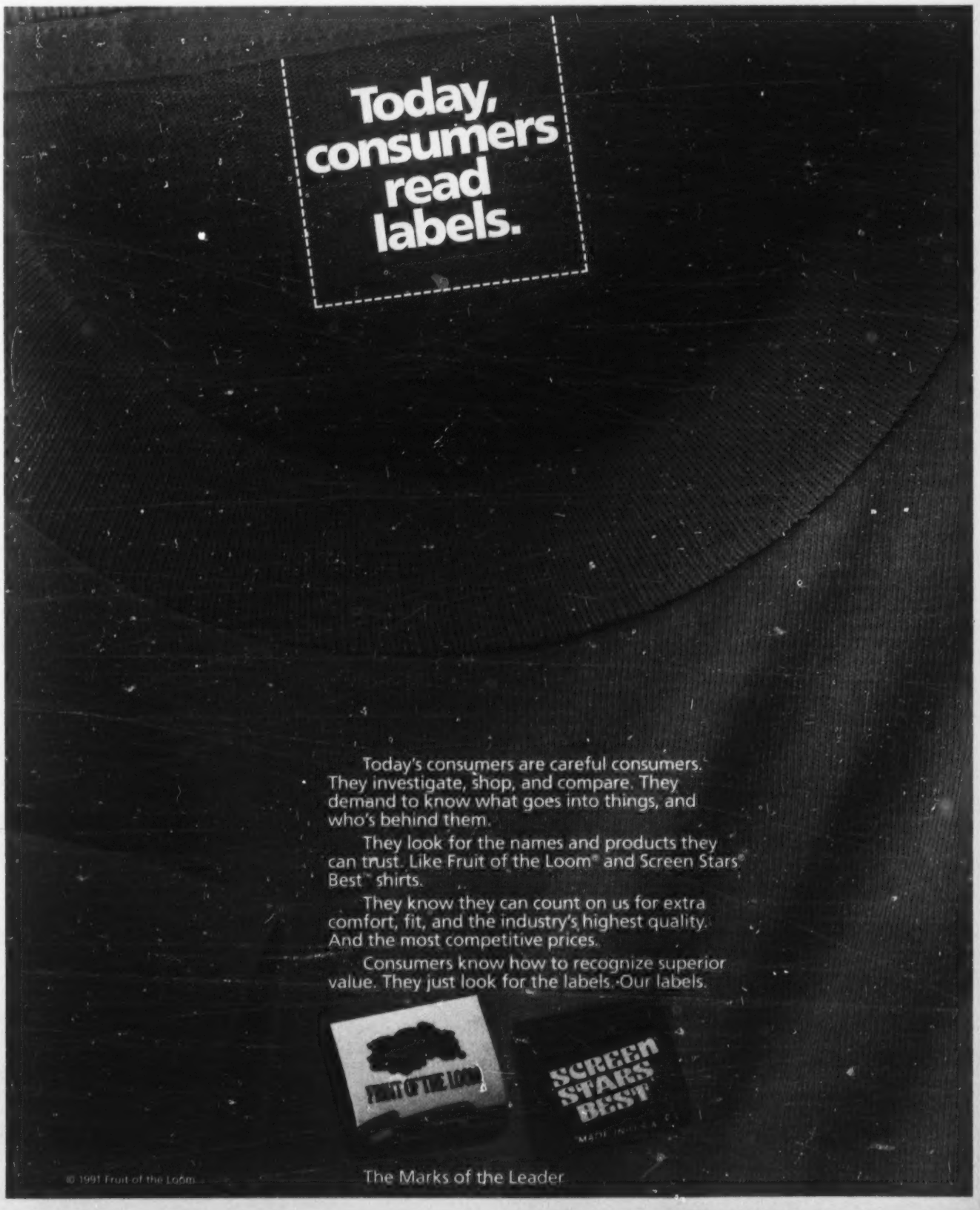
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Golden age for trade promotions

Shops recognize 'driver of virtually the whole marketing effort of' companies

By Scott Hume

With trade promotion accounting for almost half of product marketers' budgets, promotion agencies are improving capabilities for working the trade.

More than 60% of sales promotion agencies and promotional services agencies view trade promotions as a major growth area in 1992, according to *Advertising Age's* annual industry survey. And of those, more than half are implementing trade promotions for the first time.

Marketers increasingly are looking to their agencies for more help in managing their trade dollars, getting products into stores and getting display support. That's traditionally a province of corporate sales/marketing operations rather than brand promotional departments.

"We see the trade marketing function as the driver of virtually the whole marketing effort of consumer products companies," says Jeff McElnea, president of Einson Freeman, Paramus, N.J. "The solidification of the trade marketing function, which in some cases now reports directly to the ceo, needs its counterparts on the agency side. That need has been solidified in the last two years [as trade spending has risen].

"Our side has been somewhat late in responding," he adds. "We're providing account-specific promotions, but such elements as category management, trade promotion optimization, pricing and merchandising are going to be key in the next five years."

To meet that need, Einson Freeman this year plans to form a trade promotion consultancy to address those issues.

Some other agencies already have moved in that direction, however.

QLM Associates, Princeton, N.J., has created a Trade Advisory Council—five senior executives in the retailing sector available to answer the frequently asked question: "What does the trade want?"

"The retailer today understands better than ever what's working and not working at his store, so we've had to learn what he wants instead of telling him what we have," says Lew Ross, QLM exec VP.

"We recognize our clients are spending a tremendous amount of money on the trade, which makes it more important for us to help [them] spend that money more wisely."

Comart, New York, has made an even more ambitious commitment, creating Trade Pulse, a database of more than 1,600 retail distribution executives. New promotions and products can be evaluated and, if necessary, refined or customized before a marketer's sales force uses them.

"From Nielsen and Information Resources Inc. and others, most major marketers have more information than they know what to do with," says Maryann Sprow, Comart senior VP-director of consulting services. "But they still may not be sure what the trade wants or will accept. Or they may be moving into a product category . . . Trade Pulse can provide information quickly on what will work."

Glendinning Associates, Westport, Conn., has a proprietary trade consulting service called TP3.

"The question isn't how to eliminate trade spending, it's how to optimize the return on trade spending, how to identify the inefficiencies. TP3 answers that," says Jeff Hill, Glendinning group VP.

"We become a partner with a resource that can bring an analytical look at trade promotion back to the client."

Consulting isn't the only form the new trade services are taking.

A database at Noble Promotion Group, Springfield, Mo., tallies retailer acceptance or rejection of promotion programs for its clients. The program helps identify "friends" and those where "a little harder sell" might be needed for future programs.

Robinson & Maites, Chicago, has expanded its expertise in creating marketer-provided training programs for the trade, such as a "Roads Scholars" program for travel agents funded by client Budget Rent a Car Corp.

"Marketers and agencies need to get away from just providing deals. We have to create alternatives that are creative [and] shown to increase business," says Alan Maites, Robinson & Maites president, adding that means developing programs benefiting both marketer and retailer. □

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Promotional services agencies (continued)

Rank 1991	Rank 1990	Agency, headquarters	U.S. Gross income 1991	U.S. Gross income 1990	% chg	Leading service by % of revenue Service	Percent	Top executive, title	Telephone	Verified
17	16	**Langworth Taylor**, White Plains, N.Y.	$4,004	$3,835	4.4	merch/POP	22.0	Frank C. Langworth, president	(914) 946-7333	✓
18	20	**Ventura Associates**, New York	3,782	3,196	18.4	swps/games	60.0	Kenneth P. Fehskens, president-ceo	(212) 586-9720	
19	21	**Arlan, Lowe & Travis Advertising**, Chicago	3,513	2,977	18.0	merch/POP	23.0	Daryl Travis, president	(312) 243-3500	
20	18	**S.J. Weinstein Associates**, New York [1]	3,500	3,500	0.0	graphics/coll, promo adv	15.0	Stephen J. Weinstein, ceo-creative dir	(212) 206-0222	✓
21	25	**Tai**, Erie, Pa.	3,186	2,535	25.6	graphics/coll	12.0	M. Tai Hindson, ceo	(814) 838-4505	
22	23	**Promotional Innovations**, Stamford, Conn.	3,001	2,867	4.7	graphics/coll	20.0	John Henderson, president	(203) 325-3448	✓
23	22	**Responsive Marketing Communications**, Schaumburg, Ill.	2,996	2,876	4.2	NA	NA	A.J. Marsiglia, president	(708) 240-1100	
24	14	**Pacific Marketing Group**, San Francisco [1]	2,884	4,067	(29.1)	dir mktg, event mktg	20.0	Andrea M. Metzler, president	(415) 788-8764	✓
25	29	**Robinson & Maites**, Chicago [1] [*]	2,450	1,959	25.1	dir mktg	20.0	W.A. Robinson, A. Maites, mg partners	(312) 372-9333	✓
26	27	**A-Three Services Agency**, Northbrook, Ill.	2,389	2,110	13.2	fulfillment	65.0	Althea A. Alder, president	(708) 480-0870	✓
27	35	**Westport Promotion Group**, Westport, Conn.	2,385	1,568	52.1	merch/POP	25.0	Stephen Y. Conley, president	(203) 227-0266	✓
28	28	**PMC Partnership**, Westport, Conn.	2,355	2,100	12.1	swps/games	35.0	Joe Geer, president	(203) 227-8478	
29	30	**National Promotion Services**, Atlanta	2,210	1,800	22.8	graphics/coll	15.0	Daniel Dodson Jr., exec vp	(404) 266-9258	✓
30	26	**Difranza Williamson**, New York	2,026	2,312	(12.4)	NA	NA	Elizabeth Powers-Trupp, sr vp-mg dir	(212) 463-8302	✓
31	24	**Davidson Marketing**, Chicago	2,008	2,647	(24.2)	merch/POP	20.0	Jay Farrell, president	(312) 527-3900	✓
32	32	**Hobson Barnes & Associates**, Atlanta [1]	1,715	1,676	2.3	promo adv	26.9	Tony Hobson, president	(404) 951-1888	
33	39	**Deare Marketing**, New York	1,630	1,100	48.3	tie-ins	15.0	Jennifer Deare, president	(212) 929-1313	✓
34	34	**Waldbillig & Besteman**, Madison, Wis.	1,609	1,601	0.5	graphics/coll	47.3	William J. Waldbillig, president	(608) 238-4767	
35	36	**Wiken Promotion & Advertising**, Wayzata, Minn. [1]	1,606	1,527	5.2	graphics/coll, dir mktg	15.0	Lawrence F. Wiken, president-ceo	(612) 476-2002	✓
36	38	**Marketing Network**, New York	1,566	1,253	25.2	swps/games	12.0	John A. Lebbad, president	(212) 941-4480	
37	37	**Tausche Martin Lonsdorf**, Atlanta [1]	1,409	1,445	(2.4)	merch/POP	38.8	Joe Lonsdorf, president	(404) 881-8080	✓
38	31	**Sales Aides International**, Melrose Park, Pa. [1]	1,400	1,740	(19.5)	promo adv	20.0	Allen N. Liss, president	(215) 782-9090	✓
39	33	**Adair-Greene Advertising**, Atlanta	1,278	1,625	(21.3)	NA	NA	Warren Greene, president	(404) 351-8424	

Notes: Dollars are in thousands. *Formerly William A. Robinson. See Page 31 for footnotes and methodology.

Chart continued on Page 26.

Promotional services agencies (continued)

Rank 1991	Rank 1990	Agency, headquarters	U.S. Gross income 1991	U.S. Gross income 1990	% chg	Leading service by % of revenue Service	Percent	Top executive, title	Telephone	Verified
40	44	**MARC Promotion**, Pittsburgh	$1,229	$551	NA	merch/POP, promo adv	15.0	Cynthia Zeth, exec vp	(412) 562-2000	✓
41	40	**Saxton Communications Group**, New York	1,103	943	17.0	tie-ins	90.0	Michael Enzer, president	(212) 867-2210	✓
42	42	**Patrick Co.**, St. Louis	1,028	692	48.6	merch/POP	25.0	Rick Forrestal, president	(314) 436-5455	✓
43	45	**Randazzo & Blavins**, San Francisco [1]	924	523	76.7	merch/POP, dir mktg	20.0	John Randazzo, president	(415) 772-1989	✓
44	41	**New England Advertising Associates**, Norwalk, Conn.	744	707	5.3	graphics/coll	67.0	William D. Gulick, president	(203) 838-8812	
45	43	**PROMOT**, Los Angeles	693	666	4.1	premiums	33.3	K.J. Laessig, president	(213) 466-0990	
46	47	**Market-zing Promotions**, Cleveland	614	354	73.4	graphics/coll, premiums	20.0	Joseph H. Winklmann, president	(216) 831-6915	✓
47	58	**H. Reitman & Co.**, Chicago	525	NA	NA	graphics/coll	20.0	Herbert M. Reitman, president	(312) 751-0033	
48	48	**Hilliard Wise & Brown**, Newport Beach, Calif. [1]	463	345	34.1	graphics/coll, event mktg	20.0	Sally Wise, cto	(714) 975-8100	
49	46	**Venet Advertising**, Union, N.J.	450	375	20.0	NA	NA	George A. Coscia, president-ceo	(908) 687-1313	
50	49	**Sales Development Associates**, St. Louis [2]	345	345	(0.1)	database	50.0	Patricia M. Biggerstaff, president	(314) 862-8828	
51	50	**Thielen & Associates**, Fresno, Calif. [2]	287	281	2.2	trade promos	25.0	Michel C. Thielen, president	(209) 252-2500	
52	51	**Creel Associates**, Oak Brook, Ill.	240	227	5.8	graphics/coll	26.0	David R. Creel, president	(708) 990-0402	✓
53	52	**Dovetail Partner Promotions**, Overland Park, Kan.	237	205	15.7	tie-ins	100.0	Richard Hopkins, president	(913) 642-8334	
54	53	**Don Wise Design**, New York	113	113	0.0	graphics/coll	35.0	Don Wise, president	(212) 371-3333	
55	55	**Opus Group**, Ridgewood, N.J. [1]	110	95	16.3	merch/POP, graphics/coll	20.0	Joe Grasso, president	(201) 447-4824	
56	54	**Lardis, McCurdy & Co.**, Meriden, Conn.	94	100	(6.9)	merch/POP	38.0	John S. McCurdy, president	(203) 235-7040	✓
57	56	**Detrow & Underwood**, Ashland, Ohio	35	52	(31.9)	premiums	100.0	Jack M. Detrow, ceo	(419) 289-0265	
58	57	**McAndrew Advertising**, New York [2]	23	20	13.7	graphics/coll	75.0	Robert McAndrew, president	(212) 892-8660	✓

Notes: Dollars are in thousands. See Page 31 for footnotes and methodology.

AA Chart: Kathy Welyki

Buddy

(Continued from Page 33)

for national promotions can help foster partnerships.

"A quality presentation that's unique shows [a marketer's attention to] displays and features—both of those are critically important" to a promotion's in-store success, says Sherwin Leff, Impact senior VP-director of client services.

Manufacturers also are more frequently asking retailers what kinds of promotions will suit their specific needs, Mr. Leff says.

While these strategies all take retailers' power into account, some executives say the balance of power is shifting back toward manufacturers, especially in light of manufacturers' experimentation with everyday low pricing strategies.

"EDLP could shift the sands back to manufacturers if they can pull it off," says Jeffrey McElnea, president of Einson Freeman, Paramus, N.J.

However, that isn't likely to diminish retailer acceptance of consumer-oriented promotions, and could itself be a boon for promotion agencies.

Everyday low pricing represents "a magnificent opportunity for agencies because as trade dollars decline, retailers will need more brand differentiation for themselves," says Mr. McElnea. "They'll have more need for agencies' strategic thinking." □

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Newspapers suffer circulation declines

'New York Times' surpasses 'Los Angeles Times'

By Ira Teinowitz

The New York Times has overtaken the *Los Angeles Times* as the largest metropolitan daily in the U.S., according to the Audit Bureau of Circulations.

Circulation losses fostered *The New York Times'* rise in the rankings. While *The New York Times'* circulation fell 0.1% to 1,201,970 daily, the *Los Angeles Times* dropped 6.3% to 1,164,388 daily, according to the audit bureau's latest FAS-FAX report.

Losses were widespread in the report, which compares the six months ended March 31 with the same period the year before. Only 28 of the top 100 newspapers reported daily circulation gains, several benefiting from competitors folding.

Those with increases included *USA Today*, *The Orlando* (Fla.) *Sentinel*, Fort Lauderdale's *Sun-Sentinel*, *The Denver Post*, Los Angeles' *Daily News* and Paddock Publications' *Daily Herald* in the Chicago suburbs, which expanded its distribution area.

Executives said the dropoff appears more dramatic because the Persian Gulf War and local developments boosted circulation last year. For example, the New York *Daily News* strike ended last March; the *New York Post* and *Newsday* benefited from the strike, but report major declines since then. California newspapers blamed a new sales tax for lower newspaper purchases. Other papers cited single-copy price hikes to fight recession-induced ad losses.

The *Los Angeles Times*, which had advertised its No. 1 position among metro papers, attributed its losses to planned cutbacks in some unprofitable central-state markets, elimination of an afternoon edition, the sales tax hike, declines following the Gulf war and a price hike in most of its circulation area. In hotly contested Orange County, where price increases were minimal, circulation grew. The paper also claims increases in the San Fernando Valley, where the rival *Daily News* rose 4.6% to 212,001.

MEDIA WORKS

The Wall Street Journal saw circulation fall 3.5% to 1,852,863. The recession and a December 1990 price hike of 50% to 75¢ hurt the daily, a spokesman said.

Among papers whose circulation rose, *USA Today* attributed its gains to across-the-board growth rather than a particular news event or promotion.

"There is only one thing that sells newspapers: news," said Steve Anderson, media relations manager.

The Orlando Sentinel credited the city's growth, an eight-week half-price offer for new subscribers and a revival in tourism after the Gulf war.

"In a lot of markets, news like [the Gulf war] sells papers. In ours it does too, but the war also chased tourism away," said John Blexrud, director of marketing.

Several papers have folded or merged since the audit bureau's September report. *The Dallas Morning News* benefited from the death of the *Dallas Times Herald*, jumping 17.1% to 483,539 daily and 21.7% to 744,714 Sundays.

The San Diego Union-Tribune, formed in February by the merger of *The San Diego Union* and *The Tribune*, reported circulation of 385,254, up 38% from the *Union's* circulation last year but down 2.8% from the two dailies' combined circulation.

The *Arkansas Democrat-Gazette*, formed in October when the *Arkansas Gazette* merged with the *Arkansas Democrat*, rose 48.4% to 191,573 from the *Democrat's* circulation and 46.4% from the *Gazette's* circulation. Still, the combined paper is down 92.5% from the papers' combined circulation for 1991. □

Bradley Johnson contributed to this story.

Top 100 newspapers by circulation

Figures are for six months ended March 30, 1992, compared with the same six-month period last year, except where noted. Where papers reported Monday through Thursday circulation and separately for higher-selling Friday papers, the figures are weighted averages of the two. In some cases, Sunday papers have different names.

Rank	Newspaper	Circulation	% chg	Sun. circ.	% chg
1	Wall Street Journal	1,852,863	-3.5	NA	NA
2	USA Today*†	1,613,347	7.3	NA	NA
3	New York Times	1,201,970	-0.1	1,773,876	0.8
4	Los Angeles Times†	1,164,388	-6.3	1,531,527	-2.8
5	Washington Post	846,635	0.9	1,177,004	1.0
6	New York Daily News	781,796	NA	983,240	NA
7	Newsday	765,703	-7.2	847,491	-11.7
8	Chicago Tribune	733,775	-1.0	1,133,249	0.2
9	Detroit Free Press	587,952	-4.5	1,191,790	-1.3
10	San Francisco Chronicle†	557,644	-2.2	709,201	0.7
11	Chicago Sun-Times	530,856	-1.3	547,207	-2.1
12	Boston Globe	505,744	-2.2	808,251	1.2
13	Philadelphia Inquirer	500,569	-2.9	977,684	-1.0
14	Dallas Morning News*†	483,539	17.1	744,714	21.7
15	Newark Star-Ledger†	483,486	-0.4	717,521	1.4
16	New York Post	470,967	-25.2	NA	NA
17	Houston Chronicle	425,775	-3.1	622,602	-0.0
18	Detroit News	421,006	-12.2	NA	NA
19	Miami Herald	420,235	-5.5	546,161	-1.3
20	Cleveland Plain Dealer*	414,041	-3.5	546,901	-2.6
21	Minneapolis-St. Paul Star Tribune	412,871	-0.1	685,975	1.8
22	Arizona Republic†	390,838	-0.7	603,434	1.2
23	St. Petersburg Times†	390,040	0.0	497,306	-0.6
24	San Diego Union-Tribune†[1]	385,254	38.0	458,862	0.6
25	Rocky Mountain News†	365,480	-2.3	434,177	0.4
26	St. Louis Post-Dispatch	352,161	-10.1	572,512	-2.2
27	Portland Oregonian†	342,871	1.5	445,964	1.1
28	Orange Co. Register	338,453	-5.4	400,880	-2.7
29	Boston Herald	335,666	-4.6	220,984	-4.2
30	Atlanta Constitution	315,450	-4.3	699,172	-0.2
31	Tampa Tribune†	315,227	-2.0	409,391	0.3
32	Buffalo News†	314,830	0.2	383,962	0.2
33	Orlando Sentinel	298,959	4.1	399,230	2.7
34	Houston Post	296,878	-4.5	336,535	-6.0
35	Kansas City Star†	287,261	-0.5	431,156	1.9
36	Fort Lauderdale Sun-Sentinel, News	271,059	3.2	364,250	4.1
37	New Orleans Times-Picayune†	269,649	-1.0	327,832	1.1
38	San Jose Mercury News†	268,338	-4.5	333,312	-1.5
39	Columbus Dispatch	266,432	0.9	399,502	0.1
40	Sacramento Bee†	263,084	-3.9	338,639	0.1
41	Denver Post†	262,041	5.5	428,391	3.6
42	Fort Worth Star-Telegram	256,422	2.5	349,969	3.7
43	Milwaukee Journal	239,901	-6.1	490,509	0.1
44	Louisville Courier-Journal	238,527	0.2	329,389	0.1
45	Seattle Times	237,814	0.0	NA	NA
46	Hartford Courant	234,265	1.3	326,884	2.1
47	Charlotte Observer	233,557	-2.1	298,730	-0.2
48	Indianapolis Star†	228,163	-1.6	411,299	-1.3
49	Omaha World-Herald†	225,413	0.4	287,046	-0.6
50	Oklahoma City Oklahoman	224,159	-3.2	329,059	-1.9
51	Baltimore Sun	223,549	-5.9	488,890	-0.6
52	(Los Angeles) Daily News†	212,001	4.6	229,416	2.6
53	Pittsburgh Press	208,554	-5.4	555,919	-0.2
54	St. Paul Pioneer Press	207,347	2.7	272,235	1.7
55	Seattle Post-Intelligencer	204,656	-2.3	522,149	1.3
56	Cincinnati Enquirer	199,196	-1.9	352,871	0.5
57	Philadelphia Daily News	196,187	-11.6	NA	NA
58	Providence Journal-Bulletin	195,493	-2.3	269,208	1.7
59	Des Moines Register	193,597	-6.1	330,249	-4.1
60	West Palm Beach Post	193,012	-2.5	242,163	-1.5
61	Memphis Commercial Appeal*†	191,795	-6.0	286,021	-1.2
62	Arkansas Democrat-Gazette[2]	191,573	48.4	339,919	44.0
63	San Antonio Express-News	188,797	0.2	284,728	1.7
64	Florida Times-Union	182,656	-0.9	253,044	1.2
65	Dayton Daily News	179,669	-2.6	233,264	0.1
66	Austin American-Statesman	173,182	-2.2	228,723	0.4
67	Atlanta Journal	166,801	-11.9	NA	NA
68	Milwaukee Sentinel	166,084	-1.7	NA	NA
69	Birmingham News	165,676	-1.8	216,036	1.7
70	Gannett Westchester-Rockland papers	165,589	-2.9	209,639	-4.5
71	Asbury Park Press	161,114	-1.1	225,630	0.4
72	Riverside (Calif.) Press-Enterprise	159,358	-1.1	168,505	-0.9
73	Akron Beacon Journal	158,862	0.1	227,512	0.7
74	Bergen Co. Record†[3]	158,155	-8.4	231,278	-6.1
75	Virginian-Pilot†	157,460	-0.0	237,989	0.1
76	Pittsburgh Post-Gazette†	153,832	-4.8	NA	NA
77	Grand Rapids Press	151,765	3.4	195,814	2.5
78	San Antonio Light	148,591	-10.9	221,186	-5.2
79	Fresno Bee†	148,558	-3.9	184,734	-1.5
80	Toledo Blade	147,039	-3.9	214,852	-0.3
81	Richmond Times-Dispatch†	146,594	2.5	255,257	0.4
82	Raleigh News & Observer†	144,669	-2.9	187,915	3.4
83	Nashville Tennessean	140,430	4.3	273,044	1.7
84	Sarasota Herald-Tribune†	138,330	-3.0	170,565	-0.7
85	Allentown Call	136,734	-0.7	184,216	-0.5
86	Columbia (S.C.) State	135,339	-6.9	168,060	-3.2
87	Baltimore Evening Sun	133,628	-16.2	NA	NA
88	Rochester Democrat & Chronicle	133,239	-0.3	262,046	0.8
89	Tulsa World†	131,199	-2.0	244,849	1.3
90	San Francisco Examiner†	130,146	-5.4	NA	NA
91	Las Vegas Review-Journal†	129,422	-7.4	205,447	-3.2
92	Investor's Daily	127,415	26.4	NA	NA
93	Knoxville News-Sentinel†[4]	125,526	20.1	161,079	4.8
94	(Long Beach) Press-Telegram	125,469	-4.9	146,388	-3.6
95	Tacoma News Tribune†	125,046	3.3	142,782	2.1
96	Copley L.A. papers†	123,340	-5.0	119,936	-3.1
97	Wilmington News Journal†	121,910	2.4	142,920	2.3
98	Chicago Suburban Herald	119,529	15.6	116,772	15.5
99	Wichita Eagle	119,221	-2.5	196,122	-1.3
100	Salt Lake City Tribune	116,289	3.8	149,523	2.9

*Figures adjusted by *Ad Age* to indicate average weekday circulation. †Three-month figures reported in at least one of the years. [1] San Diego Union-Tribune numbers are for post-Feb. 3 combined paper and are compared with circulation of the Union from the earlier 6-month period. [2] Democrat-Gazette averaged Democrat's pre-merger circulation with circulation numbers from after its Oct. 18 merger with the Gazette. Last year's numbers are from Democrat alone. [3] Bergen County Record reflects switch to mornings Sept. 9. [4] Knoxville reflects Jan. 1 abandonment of daily publication by Knoxville Journal. Source: Audit Bureau of Circulations

COVER STORY

Cover Story is a monthly ranking of celebrities' popularity as reflected by their appearances on the covers of more than 30 of the nation's leading publications.

By Janice Kelly

Magazine editors went on a spring cleaning spree in April, forgoing overexposed celebrities for a new cast of characters.

Actor **Michael Douglas** led the pack, his first appearance this year in Cover Story's ranking. Most of the attention focused on his role in the controversial psycho-thriller "Basic Instinct."

Mr. Douglas' cover appearances earned 7 points, an unusually low score for the winner. Cover Story assigns point values to cover appearances based on such factors as prominence of the photo and frequency of the publication.

A three-way tie for second place included **Vanessa Williams**, named pop music's newest princess by *Entertainment Weekly*; comedian **Sam Kinison**, who died in a car accident; and former tennis pro **Arthur Ashe**, who announced he has AIDS. Each garnered 6 points.

Michael Douglas is finally all dressed up with someplace to go.

Roseanne Arnold took fifth place with 5.5 points, thanks in part to a *Ladies' Home Journal* makeover; other stories discussed her dieting struggles and fame.

Sixth place at 5 points was split four ways among actor **Wesley Snipes**, who stars in "White Men Can't Jump"; **Sharon Stone**, who co-stars in "Basic Instinct"; actress **Susan Sarandon**, who has had another baby at 45; and **Oscar**, the statuette given by the Academy of Motion Picture Arts & Sciences.

Rounding out the survey with 4 points each were actor **Arnold Schwarzenegger; Hillary Clinton**, the wife of Democratic presidential candidate Bill Clinton; actor **Woody Harrelson;** and Texas billionaire **H. Ross Perot.** □

MEDIA MIX

News briefs in print, electronic and alternative media.

Boys' night out. About 2 million male viewers 18 and older watch an average telecast of ABC's "Monday Night Football," according to a special Nielsen Media Research study commissioned by ABC. That's 7% higher than the show's in-home rating. A national random sample recorded in personal diaries their out-of-home viewing for all 17 games of the 1991 season. ABC is issuing the report and details on out-of-home viewing for all 17 games just before the start of the 1992-93 upfront buying season for "Monday Night Football," one of the most expensive regularly scheduled TV series, averaging $255,000 per 30-second commercial.

Best radio buy. Best Western International will spend $1 million-plus on spot radio in 100 markets between May 18 and August. The buy, negotiated by Best Western agency Karsh & Hagan, Denver, features spots themed "As individual as America itself." Promotions including a "Most Unique Vacation Story" contest support via local stations. Katz Radio Group Network, New York and Los Angeles, coordinates the promotions and the media buy.

A glamorous addition. *Glamour* in August will introduce "Salon Talk," a twice-yearly newsletter distributed free to 10,000 beauty salons that subscribe to *Glamour*.

Cap Cities computes purchase. Capital Cities Media, New York, bought Marina del Rey, Calif.-based *Video Software Magazine* from Publisher James Herman, who will initially remain a consultant to the monthly. □

Joe Mandese coordinates MediaWorks.

NARB to review Drano Plus case

By Janice Kelly

NEW YORK—Drackett Co. will defend contested ad claims for Drano Plus before the National Advertising Review Board.

An NARB panel will review findings by the National Advertising Division of the Council of Better Business Bureaus. NAD criticized advertising for Drano Plus, liquid Drano's professional strength-plus drain opener.

A TV spot from Grey Advertising claimed Drano Plus has "a unique, thick formula with more power than the leading competitor. So much power, it churns and busts through clogs in half the time."

Also, a newspaper insert claimed: "Introducing the power to unclog drains in half the time of the leading competitor."

Label claims included: "New! Nothing works faster. Thirty-five percent more active ingredients."

Clorox Co. cited laboratory data that found its professional strength Liquid-plumr outperformed Drano Plus, and that while Drano Plus outperformed regular Liquid-plumr, the "half the time" claim didn't stand.

Clorox also provided a study it said showed consumers saw the "35% more active ingredients" claim as a superior performance claim, and said consumers tend to identify regular-strength products and greater-strength products separately.

The ambiguity of the phrase "leading competitor" was also questioned.

NAD agreed there could be confusion over the term "leading competitor" and recommended the target product be plainly identified. NAD also recommended that comparative claims be discontinued and that Drackett review uses of the "35% more active ingredients" statement so it couldn't be understood as a superior performance claim.

Further, NAD said Drano Plus was photographed after the sink was flushed with 3 gallons of water while Liquid-plumr was photographed before flushing, and said exactly comparable pictures should have been used.

Drackett disagreed with the findings and the case was referred to the NARB for a binding decision.

The dispute was one of nine cases in NAD's March report. Advertisers agreed to withdraw or modify claims in four cases; the other four challenged claims were found to be substantiated.

Claims modified or discontinued:

Celestial Seasonings (herb teas; Ally & Gargano): R.C. Bigelow Inc., marketer of Bigelow teas, challenged TV spots for Cinnamon Apple Spice and Sleepytime teas claiming more herbs and spices meant more tea flavor. Environmental claims on the packaging were also challenged.

NAD recommended Celestial Seasonings modify the claim of more herbs and spices to mean a greater variety and greater volume and weight than competitors. It was recommended the "more flavor" claim be discontinued.

As for the environmental claims, NAD recommended a claim that boxes are printed on 100% recycled paperboard be modified to 80%.

Fort Howard Corp. (Green Forest paper towels; Frankenberry, Laughlin & Constable, Milwaukee; labels, in-house): NAD examined Green Forest's revised ad and label claims as a result of monitoring of environmental advertising and label claims. While most claims were substantiated, NAD said a claim that even its plastic wrapper could be recycled where such programs are available misstated the availability of such programs.

NAD said this language should be changed to include a recycling facility-related 800 number or a request that consumers support extended recycling programs in their communities. Fort Howard said it would discontinue use of the claim.

Montgomery Ward & Co. (Signature 2000 washing machine; in-house): Sears, Roebuck & Co. challenged a print ad claim, "This washer cleans better than Kenmore or Whirlpool!" and said the data and testing were limited to the Sears' Kenmore 700 series, not its Kenmore 800 and 900 series. It also questioned the Association of Home Appliance Manufacturers washability test and challenged the way in which competitive models were selected.

NAD upheld the association test and agreed that the results substantiated the superior performance of Signature 2000 model. Ward's said future ads will disclose the Kenmore model number used in the ad. Also, the corrected headline will read, "This washer cleans better than comparable Kenmore or Whirlpool washers."

Procter & Gamble Co. (Crest Complete toothbrush; Leo Burnett USA, Chicago): Oral-B Laboratories, marketer of Oral-B toothbrushes, challenged a TV spot and a professionals-directed print ad claiming Crest toothbrush superiority in reaching up to 39% further between teeth than leading flat-bristle brushes. Oral-B said such claims should be supported by clinical studies; the data in the spot didn't meet American Dental Association guidelines; and the ads' models are inaccurate.

NAD said P&G substantiated the "39% further reach" claim but found the mock-ups used in the ads to be inaccurate depictions of the human mouth. P&G advised that the demonstration was reshot.

Ad claims substantiated:

Clorox Co. (Formula 409 spray cleaner; Foote, Cone & Belding, Chicago): DowBrands, marketer of Fantastik spray cleaner, challenged a TV spot set in a diner that claimed: "This is a tough business, 16 hours a day, half the time is spent cleaning . . . "There's no secret formula for cleaning grease unless it's Formula 409." A newspaper insert claimed: "No other leading all-purpose spray cleans better." Dow maintained performance superiority was implied. NAD found the claim at issue was one of parity performance and was substantiated.

NEC Technologies (MultiSync monitors; Dentsu, Tokyo): Zenith Electronics Corp. challenged a series of NEC magazine ads dealing with screen display area, reflection and eyestrain. NAD said the terms used in the ads have well-established secondary meanings and the claims were justified.

Statler Industries/Tree-Free Co. (bathroom tissue; in-house): NAD initiated the inquiry as a result of monitoring environmental advertising and label claims. Revised-label claims—including "made from 100% recycled paper"—were found to be substantiated.

Clorox Co. (Control cat litter; Young & Rubicam, San Francisco): Golden Cat, marketer of Tidy Cat 3, challenged a Control claim regarding ammonia odor. The claim was found to be substantiated. □

Van Dyke to lead Nick's move from 'campy' to 'classic'

By Alison Fahey

Nick at Nite is positioning itself as the preserver of classic TV and has enlisted actor Dick Van Dyke to spearhead the mission.

Mr. Van Dyke late last month was named chairman of Nick at Nite, a new post. The 66-year-old actor will advise Nick at Nite on new program acquisitions and will be involved in several developmental projects. He will also appear in advertising and promotional efforts supporting the basic cable network's new direction.

Van Dyke

"I will represent them and speak on their behalf," Mr. Van Dyke said. "I'll be on the air doing promos and those kinds of things."

Since its 1984 launch, the nighttime counterpart to kids cable network Nickelodeon has been known as the "campy" channel with shows like "Dragnet" and "Mr. Ed," and 1950s-style commercials that shouted: "Hello out there from TV land!"

Now, Nick at Nite executives say they're moving to the next stage, positioning the network as the "pre-eminent showplace for timeless TV."

The new strategy recognizes changes in programming, specifically the addition of shows that support the network's claim as the "preserver of our TV heritage," said Rich Kronin, senior VP-marketing of Nickelodeon/Nick at Nite.

For example, in February, "The Dick Van Dyke Show" was added to the lineup and "The Lucy Show" began running in April. In September, "The Mary Tyler Moore Show" will join the roster.

"It defines what we feel we bring to the cable environment," said Larry Jones, director of marketing for Nick at Nite.

The new shows are already boosting ratings and should attract more ad dollars, said John Popkowski, senior VP-ad sales at MTV Networks, which owns and operates Nick at Nite, Nickelodeon and MTV: Music Television.

As part of the strategy, Nick at Nite has updated its logo, said Scott Webb, VP-creative director, Nickelodeon/Nick at Nite.

A trade campaign, created by Fred/Alan, New York, broke last week and includes direct mail and print ads in *The Wall Street Journal* and *The New York Times*.

On-air promotional spots also started last week; other consumer advertising and promotions will break in the fourth quarter.

Among the projects with which Mr. Van Dyke will be involved are:

- Looking into launching a "timeless TV space probe" in conjunction with the National Aeronautics & Space Administration.
- Petitioning Congress to declare one day a year "National Television Heritage Day."
- Developing an awards show called "The Golden Picture Tube Awards" to honor excellence in timeless TV, including commercials.
- Sponsoring a TV Heritage Scholarship Program to help promising young writers. □

Coffee market shares

Regular coffee	1989	1990	1991
GENERAL FOODS			
Maxwell House Regular	16.0%	16.3%	16.5%
Decaf	2.0	2.0	2.0
Private Collection	0.3	0.5	0.6
Subtotal	18.3	18.8	19.1
Master Blend	8.2	8.6	8.8
Sanka	1.9	1.8	1.6
Yuban Regular	2.1	2.2	2.2
Decaf	0.3	0.3	0.3
Subtotal	2.4	2.5	2.5
Brim (includes Max-Pax)	1.3	1.3	1.3
Total	**32.1**	**33.0**	**33.3**
PROCTER & GAMBLE			
Folgers Regular	23.0	22.7	22.5
Decaf	4.2	4.0	3.9
Flakes	5.0	4.9	4.8
Maryland Club*	—	0.4	0.3
Butternut*	—	0.7	0.6
Total	**32.2**	**32.7**	**32.1**
NESTLE			
Hills Brothers	7.8	8.9	9.6
MJB	3.4	3.6	3.8
Chase & Sanborn	2.0	3.2	4.0
Taster's Choice	0.3	0.3	0.3
Total	**13.5**	**16.0**	**17.7**
CHOCK FULL O'NUTS	**3.4**	**3.4**	**3.2**
WINTERPARK INVESTMENT GROUP*			
Maryland Club	0.5	—	—
Butternut	0.8	—	—
Total	**1.3**	**—**	**—**
ALL OTHERS	**17.5**	**14.9**	**13.7**
GRAND TOTAL	**100.0%**	**100.0%**	**100.0%**

Instant coffee	1989	1990	1991
GENERAL FOODS			
Maxwell House Regular	20.0%	19.8%	19.7%
Decaf	1.8	1.7	1.6
Subtotal	21.8	21.5	21.3
Maxim	1.3	1.2	1.1
Sanka	8.3	8.3	8.2
Freeze Dried Sanka	0.6	0.6	0.6
Yuban	0.8	0.8	0.8
Brim	0.9	0.8	0.7
International Coffees	3.0	3.1	3.1
Total	**36.7**	**36.3**	**35.8**
NESTLE			
Nescafe Regular	7.3	7.1	6.8
Decaf	2.7	2.6	2.5
Taster's Choice Regular	11.6	11.4	11.2
Decaf	5.7	5.6	5.5
Sunrise	0.8	0.8	0.7
Hills Brothers	2.5	2.6	2.6
MJB	1.6	1.6	1.6
Chase & Sanborn	1.4	1.6	1.7
Total	**33.6**	**33.3**	**32.6**
PROCTER & GAMBLE			
Folgers Regular	17.5	17.8	18.0
Decaf	5.6	5.9	6.2
Highpoint	0.8	1.0	1.1
Total	**23.9**	**24.7**	**25.3**
BORDEN			
Kava**	0.3	0.3	—
ALL OTHERS	**5.5**	**5.4**	**6.3**
GRAND TOTAL	**100.0%**	**100.0%**	**100.0%**

1991 figures are estimates. *Procter & Gamble acquired Maryland Club and Butternut from Winterpark Investment Group in October 1989. **As of 1991, Borden's Kava has been included in "All others." Source: John C. Maxwell Jr.

Coffee sales tepid in '91

By John C. Maxwell Jr.

The coffee market was on slow brew in 1991.

The category declined 8% in size to $3.6 billion, compared with the previous year. Volume for ground roast fell 1% to an estimated 915 million pounds, while instant coffee was down 6% to 111 million pounds.

Philip Morris Cos.' General Foods USA increased its share to 33.3% in ground roast coffee, from 33%, widening the gap between General Foods and Procter & Gamble Co.

MAXWELL REPORT

P&G fell to a 32.1% share from 32.7%. Chock Full o'Nuts also showed a slight decline in share to 3.2% from 3.4%.

In instant coffee sales, both General Foods and Nestle lost share, while P&G increased to 25.3% from 24.7%.

Mail franchises for gourmet coffee continued to do well and accounted for an additional $1.5 billion in coffee sales in 1991, industry executives say. □

Mr. Maxwell is an analyst with Wheat, First Securities.

Coen ad forecast

U.S. advertising volume

The McCann-Erickson U.S. advertising volume reports represent all expenditures by U.S. advertisers—national, local, private individuals, etc. The expenditures, by medium, include all commissions as well as the art, mechanical and production expenses that are part of the advertisers' budgets for each medium.

	1990		1991		
Medium	Millions of dollars	% of total	Millions of dollars	% of total	% chg
NEWSPAPERS					
National	3,867	3.0	3,685	2.9	−4.7
Local	28,414	22.1	26,724	21.2	−5.9
Total	**32,281**	**25.1**	**30,409**	**24.1**	**−5.8**
MAGAZINES					
Weeklies	2,864	2.2	2,670	2.1	−6.8
Women's	1,713	1.3	1,671	1.3	−2.5
Monthlies	2,226	1.8	2,183	1.8	−1.9
Total	**6,803**	**5.3**	**6,524**	**5.2**	**−4.1**
FARM PUBLICATIONS	215	0.2	215	0.2	—
TELEVISION					
Network	9,383	7.3	8,933	7.1	−4.8
Cable (national)	1,393	1.1	1,521	1.2	9.2
Syndication	1,589	1.2	1,853	1.5	16.6
Spot (national)	7,788	6.1	7,110	5.6	−8.7
Spot (local)	7,856	6.1	7,565	6.0	−3.7
Cable (non-network)	396	0.3	420	0.3	6.0
Total	**28,405**	**22.1**	**27,402**	**21.7**	**−3.5**
RADIO					
Network	482	0.4	490	0.4	1.7
Spot (national)	1,635	1.3	1,575	1.2	−3.7
Spot (local)	6,609	5.1	6,411	5.1	−3.0
Total	**8,726**	**6.8**	**8,476**	**6.7**	**−2.9**
YELLOW PAGES					
National	1,132	0.9	1,162	0.9	2.7
Local	7,794	6.0	8,020	6.3	2.9
Total	**8,926**	**6.9**	**9,182**	**7.2**	**2.8**
DIRECT MAIL	23,370	18.2	24,460	19.3	4.7
BUSINESS PAPERS	2,875	2.2	2,882	2.3	0.2
OUTDOOR					
National	640	0.5	637	0.5	−0.5
Local	444	0.3	440	0.3	−0.9
Total	**1,084**	**0.8**	**1,077**	**0.8**	**−0.6**
MISCELLANEOUS					
National	11,608	9.0	11,588	9.2	−0.2
Local	4,347	3.4	4,185	3.3	−3.7
Total	**15,955**	**12.4**	**15,773**	**12.5**	**−1.1**
National total	72,780	56.6	72,635	57.5	−0.2
Local total	55,860	43.4	53,765	42.5	−3.8
GRAND TOTAL	**128,640**	**100.0**	**126,400**	**100.0**	**−1.7**

Source: Prepared for *Advertising Age* by Robert J. Coen, McCann-Erickson Worldwide

(Continued from Page 3)

of 1991, spot TV ad demand also was starting to bounce off the bottom in many markets.

Some spot TV revenue gains are expected in most markets in the first half, and by summer, when political activity will pick up again, increases in many markets could be in the double digits.

In the past five years, the cable networks, Fox Broadcasting Co. and national TV syndicators have gained a foothold among large national marketers. The networks' revenue growth, combined with broadcasting's Big 3, was also relatively soft in 1989 and 1990. In the fourth quarter of 1990, these budgets stopped growing, and last year they were harshly constrained or canceled. But most of the cancellations weren't felt until last summer, and by fall these totals began to show some improvements.

In the first and third quarters of 1992, the Olympics will account for exceptional revenue gains on the networks carrying the Games. The combined amounts spent for the national blanket of TV ad weight should pick up noticeably following the Olympics as competitive advertising rises with improving economic reports.

Looking back at 1991

In terms of total media, including direct mail, Yellow Pages and miscellaneous categories, 1991 was a uniquely bad year. But for major mass media, 1991 was a disaster. Ad expenditures in radio, TV, magazines, newspapers and outdoor combined fell 4.4%. That's even greater than the 4% decline of the major media in 1942.

National marketers' budgets were cut significantly in most traditional consumer media, but increased schedules on the cable networks, Fox and national syndication offset some of these losses. The decline of only 0.2% in total national ad spending was due to much higher rates for mail and Yellow Pages ad programs.

Local marketers' budgets were off much more, especially in newspapers. Local retail ad linage plunged, and newspapers in markets with the most severe recessions experienced double-digit percentage declines in linage as well as revenue. Classified help-wanted and real estate ad activity was even worse. The declines in local broadcast media budgets weren't quite as bad, but many radio and TV stations experienced local revenue losses of 3% or 4%.

The U.S. economy was in expansion from late 1982 until the beginning of 1990. Ordinarily, ad spending lags behind an economic downturn, and then gradually, as the economic weakness is confirmed, ad budgets are pulled into line.

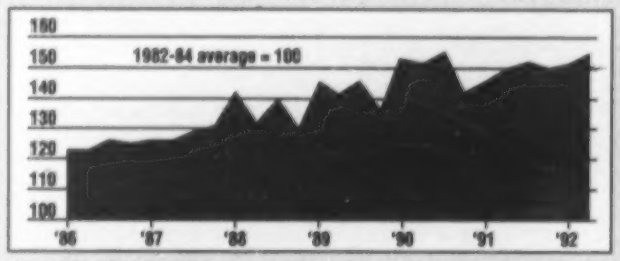
This traditional pattern seemed to be unfolding in the summer of 1990 when Iraq invaded Kuwait. But then the speed in ad contractions accelerated. There was a sudden and sharp reversal in U.S. ad expenditures that fall, when the new uncertainties caused marketers to shift from mild cautiousness to alarmed retrenchment.

The drop was exceptional, and it wasn't until the final months of 1991 that there were any signs that advertising was working its way back to pre-Kuwait levels.

This year should see ad growth return to a pace greater than that of the improving economy. Because of the abnormal intensity of last year's plunge, we can also look forward to even stronger advertising expansion into 1993. □

National advertising index

The McCann-Erickson national advertising indexes are key barometers of the month-to-month changes in national advertising spending. These indexes are seasonally adjusted measures of the monthly advertising revenues for the major national media. The index is a composite of the national TV network (including Fox, cable and syndication), spot TV, magazine and newspaper expenditures by national advertisers.



Source: McCann-Erickson Worldwide

Seven Seas harmonizes with Abdul

NORTHFIELD, Ill.—Kraft General Foods is building consumer and trade promotion programs around Kraft Seven Seas salad dressings' sponsorship of Paula Abdul's 16-city tour this summer.

Consumers will be offered a $5 savings on concert tickets with 2 proofs-of-purchase from Seven Seas dressings. Radio stations in each concert market will conduct tickets sweepstakes. Retailers will be offered tickets and backstage passes, depending on the level of in-store display.

"The directive we had from Kraft General Foods was to find an entertainment vehicle that would typify the 'boldness' of Seven Seas. Paula personifies boldness," said Paul Stanley, president of PS Productions, Chicago, the event marketing company that developed the program.

"Her fans are a perfect demographic fit" for the brand, the primary target for which is women ages 18 to 54, he said.

Leo Burnett USA, Chicago, is Seven Seas' agency. □

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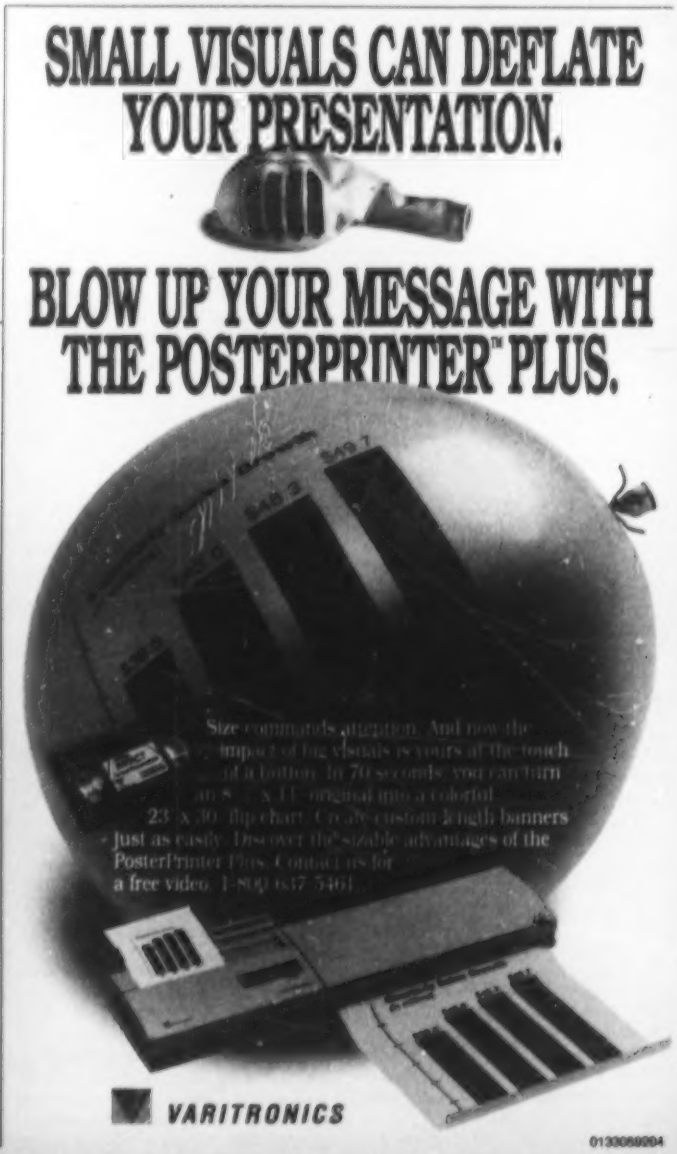
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ADREVIEW

Quaker State sputters in 1st ad with Reynolds

Garfield

By Bob Garfield

What's annoying about most celebrity advertising is staring at some prominent horse's ass completely irrelevant to the product at hand—and that's exactly what spoils Burt Reynolds' first-ever national TV endorsement for Quaker State Corp. motor oil.

Wait a second. That didn't come out quite right.

Reynolds himself is OK. He's really a pretty good choice for peddling Quaker State to motor heads, what with "Cannonball Run" and "Smokey & the Bandit" and his general nice-guy brand of wisecracking machismo. What mars this commercial from Grey Advertising, New York, is an *actual* horse's ass. A chestnut thoroughbred. Center frame. Right next to Reynolds. Rump in our face.

The spot was filmed at Reynolds' ranch in Jupiter, Fla., you see, with Burt sitting on a corral fence being rugged. But what you can't take your eyes off of is the horse being rude. The moon of Jupiter, you might say.

"You know, I've messed up on a few relationships in my life," Reynolds remarks to open the spot in his trademark, self-deprecating way, "but there's one that's lasted over 35 years with a lot of help from Quaker State." He points to an old T-Bird, parked next to the corral.

"It's tough on wear, tough on sludge. So Quaker State and I are planning on a meaningful relationship with my new car. [Now he climbs into a red Mustang convertible parked in the foreground.] So why don't you do the same with your new car's engine, and Quaker State'll guarantee it for 250,000 miles or 10 years *in writing!*" ("Oil-related failure only," the small-type, on-screen disclaimer says.)

Rating: ★ ★

A good casting choice is marred by sloppy production in Burt Reynolds' debut for Quaker State motor oil, from Grey Advertising.

"You think if I gave Loni the Quaker State deal, she'd give me the same guarantee?" he says, laughing, as he pulls out in the Mustang and drives off, kicking up clouds of dirt and turf in his wake. "Quaker State," he says, now in voice-over, "is one tough motor oil."

And this is one careless TV spot.

The Grey creative team, in its attempt to make Reynolds' commercial debut a comfortable one, bent over backward to accommodate him. Reynolds chose his own director and cinematographer. He suggested as a venue his own ranch, his own corral, his own cars. And, graciously enough, he personalized the script with a reference to his wife, Loni Anderson.

The consequence was a happy star and sloppy, distracting, unfocused everything else. How does one not shoot take and retake, for instance, until the shot is 100% patoot-free? But the horse is just one difficulty. A larger problem is the spot's odd pacing and composition.

Sitting on the fence rail, with his horses in the background and his new car in front, Reynolds is strangely diminished—i.e., lost in the frame. And when he clambers into his convertible, he is swallowed by the bucket seat and diminished still more. A major TV star, smaller than life.

Complicating matters is his conversational dialogue, which aims to sound natural and unforced but which is spoken too quickly to register. Probably just as well. The central promise—no oil-related engine failure—is a guarantee against something that never happens.

Or does it? When Reynolds speeds off on the grass, the dirt he kicks up looks exactly like billowing brown exhaust, a visual kicker that sends the following message: Use Quaker State and Ruin Your Brand New Car.

All right. Maybe that's a stretch. But why spend untold millions to sign a star of his stature only to blunt the impact with a bland, haphazard production? While in the long run this will prove to be good casting and a boon to product identity, they're starting off on the wrong hoof. Quaker State paid for Reynolds' famous sangfroid. What it bought was faceless equine-imity. □

More reruns creeping into regular season

Networks save 1st-run shows for sweeps: Bozell

By Joe Mandese

NEW YORK—Network TV is developing a bad case of deja vu.

Although the networks are producing about the same number of original episodes of TV series as always, they're concentrating those shows during sweeps months to boost local ratings for their affiliates.

As a result, a greater percentage of repeat episodes air during non-sweeps months, according to an analysis of network prime-time scheduling strategies by Bozell.

The analysis included the Big 3 TV networks and Fox Broadcasting Co.

During the non-sweeps month of December 1991, the percentage of repeat episodes on the four networks rose to 27%, vs. 23% in December 1990 and only 4% in 1982, the year Bozell began tracking the trend.

In January and March 1992, two other non-sweeps months, the percentage of repeat episodes aired by the four networks rose to 26% and 30%, respectively, from 17% and 29% for the same periods in 1991 and 15% and 13% in 1983.

"The networks are doing this for local reasons, to help their affiliates with their local ratings reports. But advertisers buy network TV programming year-round, in both sweeps and non-sweeps months," said Steve Sternberg, VP-manager of broadcast research at Bozell.

The sweeps are monthlong periods in November, February, May and July, in which Nielsen Media Research and Arbitron Co. measure local audiences for TV stations in most markets.

To help boost their affiliates' ratings estimates, the Big 3 and Fox typically run their best programming, both specials and original episodes of popular series, during those periods.

Bozell's Mr. Sternberg said the non-sweeps repeat phenomenon grew more severe a few years ago, when the networks began shifting more original episodes out of their regular season, which ends in April, and into May, a sweeps month.

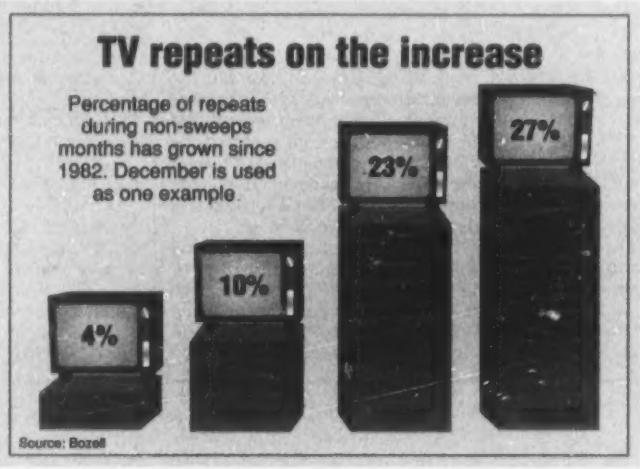
This year, the Big 3 reserved several original episodes, including the season and series finales of popular shows, for the May sweeps.

Among the finales airing during the current sweeps period are NBC's series finales of "The Cosby Show," "Night Court" and "The Golden Girls," and ABC's series finales of "MacGyver," "Who's the Boss?" and "Growing Pains."

"Since they generally don't produce additional episodes [for May], it is necessary to pre-empt firs.-run telecasts of many regular series" in non-sweeps months, Mr. Sternberg said.

According to Bozell, Fox had the highest percentage of repeat episodes at 26% in all of the 1991-92 season, though it represents a decrease from the 29% Fox aired during the 1990-91 season.

Mr. Sternberg noted that part of the reason Fox's regular series repeats are so high is because Fox airs a higher percentage of original episodes during summer months, a strategy that's been generally applauded by agencies and clients who buy year-round.



Graphic by John Hall

Among the Big 3 networks, NBC aired the highest percentage of repeats in 1991-92 season at 17%, compared to 16% for ABC and only 9% for CBS.

Mr. Sternberg said CBS' repeat percentage was low because the network aired a greater than normal percentage of special programming, including the 1992 Winter Olympics and a seven-game World Series.

Indeed, according to Bozell's analysis, specials accounted for 31% of CBS' prime-time programming in the '91-92 season, compared with 11% for NBC, 10% for ABC and only 8% for Fox.

Nonetheless, Mr. Sternberg said the strategy contributed to CBS' 1991-92 prime-time success.

"CBS had the luxury of holding back more original episodes, because they were pre-empted by special programming like the World Series and the Olympics. It certainly helped them win the season," Mr. Sternberg said.

He added that even excluding the special programming, CBS won the season on the strength of its regular series programming, which underwent fewer repeat airings than the other networks. □

'N.Y. Times' arrives in Moscow

Readers' reaction is mixed to Russian-language version

By Fyodor Nosov

MOSCOW—A Russian-language version of *The New York Times* got mixed reviews at newsstands after its launch April 28.

GLOBAL NEWS

"I bought it just out of curiosity, and I don't think I'll buy it again," said Zinaida Paukov, 49, an interpreter who was reading the paper in the subway on her way to work. "The articles are a bit superficial and lack in-depth analysis. I don't mind reading it in its native tongue to improve my English, but I can get a better analysis at a lower price in Russian newspapers."

The every-other-weekly *The New York Times News in Review* is a joint effort of The New York Times Co. and the Russian weekly *Moscow News*.

The broadsheet will run 16 to 24 pages, with political, business, science and cultural stories from *The New York Times*, selected by the *Times*. *Moscow News* translates the articles and handles printing and distribution.

Initially, circulation is 100,000, mostly in Moscow. Cover price is 5¢.

Seven advertisers are charter sponsors: American Express Co.; Archer Daniels Midland Co.; Coca-Cola Co.; Estee Lauder International; Goldman, Sachs & Co.; IBM Corp.; and Trans World Airlines.

"I read American magazines and newspapers in English once in a while," said Vladimir Lapshunov, a 22-year-old student at Moscow University. "I wanted to see what they look like if translated into Russian. I'd rather think I would keep reading them in English, because they appear somewhat simplistic when translated. We're not used to this kind of journalism here."

"I bought it because I wanted to read the business section," said a 39-year-old public relations manager at a joint venture. "Western newspapers have good business sections, clear and concise, unlike most Russian papers."

Journalist Dmitry Kapyshin, 27, bought his copy at the Moscow International Trade Center, a conference center frequented by journalists and fledgling Russian business executives. He liked the issue and thought he would buy it again.

"It's the first time ever that a Western newspaper comes out regularly in Russian," he said. "Only a few years ago, people would go to the trouble to obtain some odd outdated issues of Western newspapers and magazines that made their way here in tiny quantities and were rarities." □